

# AGRICULTURAL OUTLOOK

December 1983

• Economic Research Service  
United States Department of Agriculture



***Outlook for 1984  
and Beyond***

# AGRICULTURAL OUTLOOK

December 1983/AO-94



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U.S. agriculture will likely continue to recover in 1984. The value of U.S. farm exports is expected to improve; however, improvement will come slowly because of fragile growth in the world economy, financial constraints in some countries, and higher prices with reduced crops. Meanwhile, an expanding U.S. economy is projected to strengthen domestic demand without unduly increasing production costs.

Smaller U.S. crops of feed grains and soybeans are boosting feed prices. Meanwhile, record U.S. meat supplies are depressing the prices received by livestock producers. So, beef and pork output will likely decrease in 1984, but poultry is expected to take up some of the slack, exceeding 1983's level in spite of higher feed costs. A new dairy program that can potentially affect dairy and meat supplies and prices was signed into law November 29, 1983. Details of the program and its administration are being analyzed and formulated. These actions will affect the level and timing of additional dairy cow slaughter.

Net farm income, unadjusted for inflation, is forecast at \$29 to \$34 billion in 1984, up from 1983's estimated \$22 to \$24 billion and approaching the recent highs of \$32.3 billion in 1979 and \$30.1 billion in 1981. Prospects will be influenced by worldwide farm output; U.S. farmers' participation in 1984 government programs; input use and capital purchases; and the economic recovery's effect on interest rates, input prices, and demand for agricultural products. With crop output expected to rise next year, the value of inventories will again play an important role. Although net farm income is forecast up, rising cash expenses could cause net cash income to fall to \$35 to \$39 billion, compared with the \$42 to \$44 billion estimated for 1983.



The finance outlook for 1984 is for general improvement in the farm sector, but continued difficult conditions for some farmers. Interest rates are expected to equal those for 1983, with perhaps some rise during the latter part of the year. Because the inflation rate is projected to remain low—5 to 6 percent—real interest rates will stay at record levels. The decline in farmland values that began in 1981 appeared to have bottomed out and reversed by the middle of this year; however, real growth in farmland values is not likely next year. Growth in farm debt during 1984 will continue to be slow compared with the 1970's. Credit will be available to the farm sector, although qualifications for loans may be more stringent.

U.S. farm exports are expected to rise to \$39 billion in fiscal 1984, up 12 percent from a year earlier, but still below the fiscal 1981 record. Higher prices, especially for feed grains and soybean products, are projected to hike earnings. On the other hand, the volume of exports will likely decline about 5 million metric tons to 140 million. Farm imports may increase only 4 percent to \$17 billion, allowing the agricultural trade surplus to climb to \$22 billion, up \$3.6 billion from fiscal 1983.

Because U.S. crop acreage is expected to expand in 1984, domestic fertilizer and pesticide use should rise substantially. Fertilizer consumption may be about 20 percent greater than last season, while pesticide use is forecast to increase somewhat less, although this may vary by area.

The slowdown in retail food price increases will likely end in 1984. Prices will probably average 4 to 7 percent above 1983 because of further increases in marketing costs, a moderate rise in farm prices, and stronger consumer demand prompted by higher incomes. Since 1979, when food prices rose nearly 11 percent, prices have risen at successively lower rates. For 1983, food prices likely rose about 2 percent—the smallest increase since 1967. Next year, per capita consumption of food is expected to be 1,397 pounds, down 0.1 percent from 1983, primarily because of the forecast drop in meat production.

The outlook for the rest of the 1980's is for a modest annual average growth rate of 2 to 3 percent in demand for U.S. farm products—about equal to the expected gains in productivity. Volatility may be present, as years of excess production are interrupted by years of tight supplies. Unfortunately for some producers, the need for all the acreage currently idled appears doubtful.



## Agricultural Economy

U.S. agriculture will likely continue to recover in 1984. The value of U.S. farm exports is expected to improve; however, improvement will come slowly because of fragile growth in the world economy, financial constraints in some countries, and higher prices with reduced crops. Meanwhile, an expanding U.S. economy is projected to strengthen domestic demand without unduly increasing production costs.

The world crop outlook for 1983/84 is for smaller supplies because of the diminished U.S. outturn and for some pickup in demand for most crops. Crop prices will benefit from tightening supplies, while livestock prices should be supported by an improving global economy and lower production in the second half of 1984. Because of rising prices, U.S. exports for 1983/84 may reach \$39 billion, up \$4.2 billion from 1982/83, despite a lower sales volume.

Foreign grain consumption is expected to rise 2 percent, with feed grains accounting for most of the increase. On the other hand, tighter supplies and higher prices will hurt the competitive position of soybean meal, and world soybean consumption may be down from last year. Cotton use should benefit from continued large supplies abroad and stepped up economic activity. Foreign cotton use is projected to expand around 2 percent.

Most of the reduction in global stocks will be in the United States; 1983/84 ending stocks of U.S. grain will be less than one-half the 140 million tons carried into this year. Ending stocks of feed grains may be cut to one-fourth of beginning stocks, but they will still represent about 8 percent of forecast use, lower than most years in the 1970's but about the same as the 1973-75 average.

A plunge in U.S. soybean stocks will leave the stocks/use ratio around 8 percent, slightly above 1976/77—a record-low year. U.S. cotton stocks are projected to represent nearly 35 percent of annual use, slightly below the 1978-82 average.

Reductions in feed grain and soybean production are forcing U.S. livestock and poultry producers to pay higher prices for feed. Furthermore, record-large meat supplies are depressing product prices. Therefore, beef and pork output will likely be cut back in 1984. However, poultry production is anticipated to exceed 1983's output in spite of higher feed costs, as poultry producers respond to expected higher prices for animal products.

Season-average prices will be sharply higher for corn and soybeans, while those for wheat will likely remain near the loan level. Cattle and hog prices are under pressure from record meat supplies. Nevertheless, prices for livestock and poultry products should benefit from reduced pork and beef production in 1984, particularly in the second half. In addition, economic recovery will probably add strength to farm prices for crops and livestock.

Net farm income may climb to \$29 to \$34 billion, from 1983's estimated \$22 to \$24 billion. However, net cash income could lag. Cash flow may equal 1983's level or drop slightly. Whatever, highly leveraged farmers may have to continue restructuring their balance sheets to come up with the needed funds. Credit will continue to be available to qualified farmers, and interest rates may equal or slightly exceed a year earlier.

Food prices are forecast to rise 4 to 7 percent in 1984, compared with 1983's 2-percent gain (the lowest in 16 years). The costs of processing and distributing food will continue to rise, but at a modest pace. Prospects for further economic growth will likely increase consumer incomes, which will in turn bring about larger food expenditures per capita.

Overall, the outlook for the next few years points to slow economic recovery and modest growth in global markets. With the buildup in U.S. agricultural production capacity during the 1970's and last year's acreage reduction and payment-in-kind programs, acreage and crop output could expand rapidly if prices are high enough and weather is favorable. Such an outlook suggests the potential for faster growth in output than in consumption, resulting in stock increases and continued large government costs. (James Donald (202) 447-8651)

## LIVESTOCK HIGHLIGHTS

### Cattle

World cattle numbers at the beginning of 1984 are expected to be marginally above a year earlier, after dropping the last 2 years. With cattle numbers up slightly and producers holding female stock for expansion, beef and veal production will likely decline about 1 percent in 1984—to the lowest output since 1980.

U.S. beef exports have been expanding—up 16 percent in 1982 and 5 to 7 percent this year. Another increase is expected in 1984. Japan is a major buyer of U.S. beef, and negotiations have been underway to gain greater access to this market. While U.S. beef exports have been expanding, they still equal only around 1 percent of production.

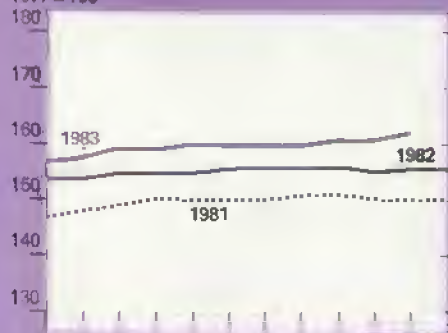
U.S. beef imports in 1984 are expected to be slightly below the 1983 level because of smaller inventories in most major exporting countries. Under the Meat Import Law, the trigger level for meats under quota was 1,231 million pounds (product weight) for 1983. This year, agreements were reached between the United States and the



# Prime Indicators of the Agricultural Economy

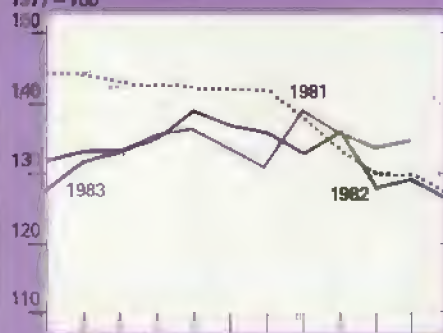
Prices paid by farmers<sup>1</sup>

1977=100



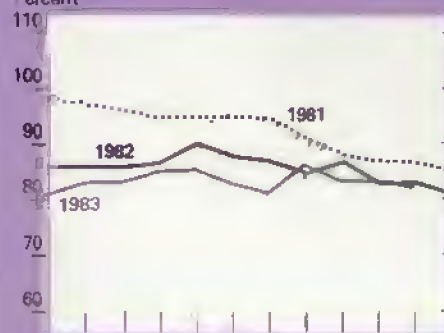
Prices received by farmers<sup>2</sup>

1977=100

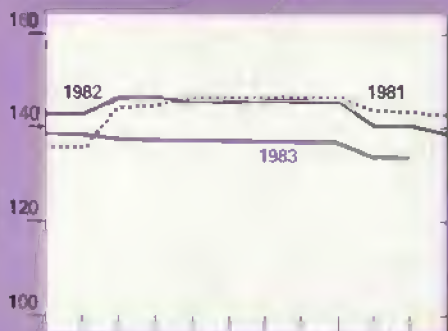


Ratio of prices received to prices paid

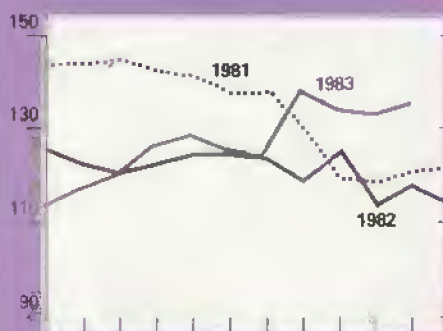
Percent



Fertilizer prices

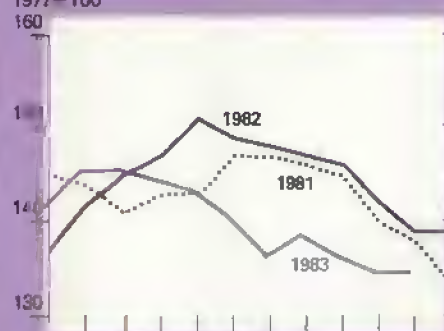


All crops

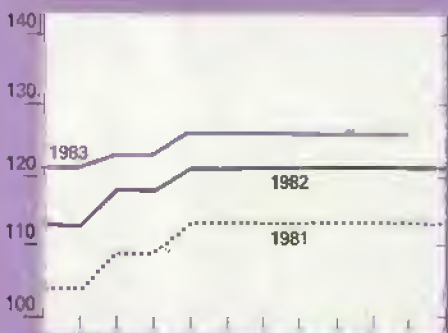


Livestock and products

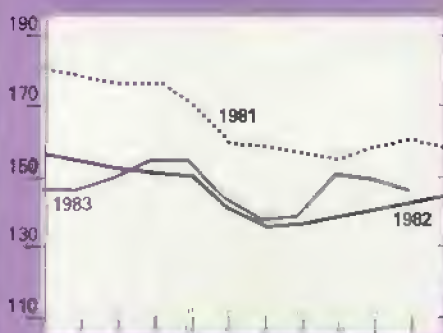
1977=100



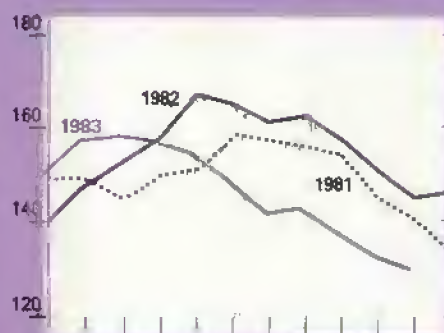
Agricultural chemicals



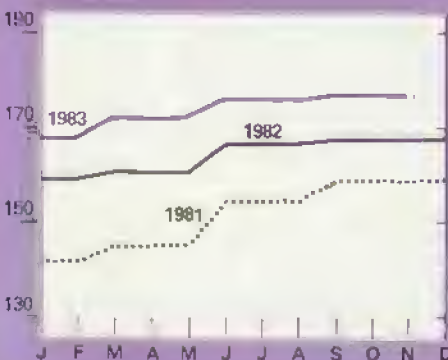
Food grains



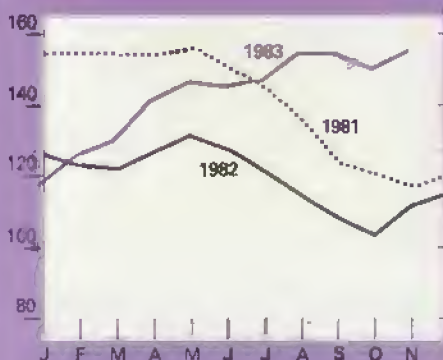
Meat animals



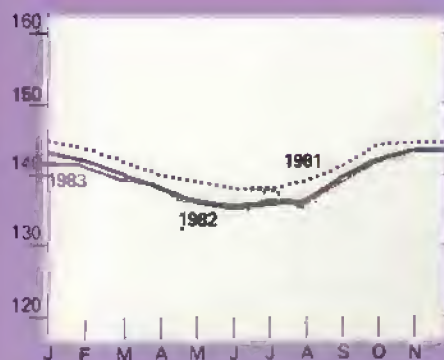
Tractors and self-propelled machinery



Feed grains and hay



Dairy products



<sup>1</sup>For commodities and services, interest, taxes, and wages.

All series except "Ratio of Prices Received to Prices Paid" are indexes based on 1977=100.

<sup>2</sup>For all farm products

three major exporters—Australia, New Zealand, and Canada—to prevent imports from exceeding this level. Recently enacted U.S. dairy legislation is expected to increase dairy cow slaughter, which would lower the counter-cyclical factor and hold down the 1984 trigger level.

During 1983, U.S. beef production was about 3 percent above a year earlier because of a 3- to 4-percent increase in fed cattle slaughter and a gain in slaughter weights. Cow slaughter rose 2 to 3 percent—still below liquidation levels. Nonfed slaughter was well below year-earlier levels through spring, but it moved up in the second half of the year. The sharpest year-over-year increases in nonfed slaughter likely occurred this summer, particularly for cows.

Beef production is expected to decline 3 to 4 percent in 1984. The output of fed beef will fall from 1983, but likely will remain above marketings in 1981 and 1982. Beef production through winter is expected to be above a year earlier, as both nonfed and fed slaughter remain relatively high. Rising grain prices will hold down feedlot placements this winter. In spring, marketings of fed cattle will decline modestly from this year, with sharper decreases likely next summer. The slaughter of nonfed steers and heifers is expected to drop from 1983, particularly in second-half 1984.

Slaughter weights will likely remain near to slightly above this year's level because fed cattle marketings will account for a larger proportion of the total. The slaughter of beef cows is also expected to decline in 1984, with rates dropping fairly sharply as the grazing season approaches. However, dairy cow slaughter is forecast to rise substantially through the first half of 1984 because of legislation enacted in late November. The timing and extent of additional slaughter is uncertain.

Prices of Choice fed steers at Omaha likely averaged slightly below \$62.50 per cwt in 1983, the third consecutive year in which prices averaged in the low \$60's. A stronger economy has helped support beef prices, despite the large supplies.

Prices for Choice fed steers may average \$62 to \$66 this winter as meat supplies decline; they could rise to the upper \$60's in spring. Possible further declines in meat supplies in second-half 1984, as well as continued economic improvement, should hold prices for fed steers between the mid- to upper \$60's next summer and fall. Prices will likely decline modestly late next fall, as meat supplies rise seasonally. However, each 100,000-head increase in dairy cow slaughter would raise beef production 67 to 70 million pounds and would have a negative impact on livestock and poultry prices. [James Nix (202) 447-9805 and Ronald Gustafson (202) 447-8636]

#### Hogs

World pork production for 1983 was up about 3 percent from 1982, and the 1984 outlook is for about a 1-percent rise. Soviet pork output may have totaled 5.7 million tons in 1983, up 8 percent from a year earlier. Improved feed supplies and a larger production base are the main reasons for the increase. For similar reasons, another increase of about 5 percent is expected in 1984.

In Japan, pork production continues to rise, with a 2-percent increase anticipated for 1983 and 1984. Production rose sharply in Taiwan this year, but little change is expected for 1984.

Production also rose in Western Europe during 1983, but higher feed prices may limit expansion in 1984. Almost all countries in the European Community (EC) have increased production this year, while Spain is the only non-EC country in Western Europe showing any major increase. The sharp drop in Poland's pork production this year was largely responsible for the decline in Eastern Europe. While some recovery in Polish output is expected during 1984, most other

Eastern Europe countries will show only marginal increases or even a decline.

In Mexico, production declined sharply this year, but may remain relatively stable in 1984. Canadian production was up, but it may also level out in 1984, as feed prices rise.

U.S. pork imports were up about 10 percent this year, largely because of increased purchases from Canada. With U.S. prices lower in early 1984 and Canada's output holding about steady, U.S. imports may decline next year. U.S. exports fell about 30 percent in 1982 because of smaller U.S. supplies, higher prices, a stronger dollar, and increased competition from Canada and Taiwan. Exports were off slightly this year, and another small decline is likely for 1984.

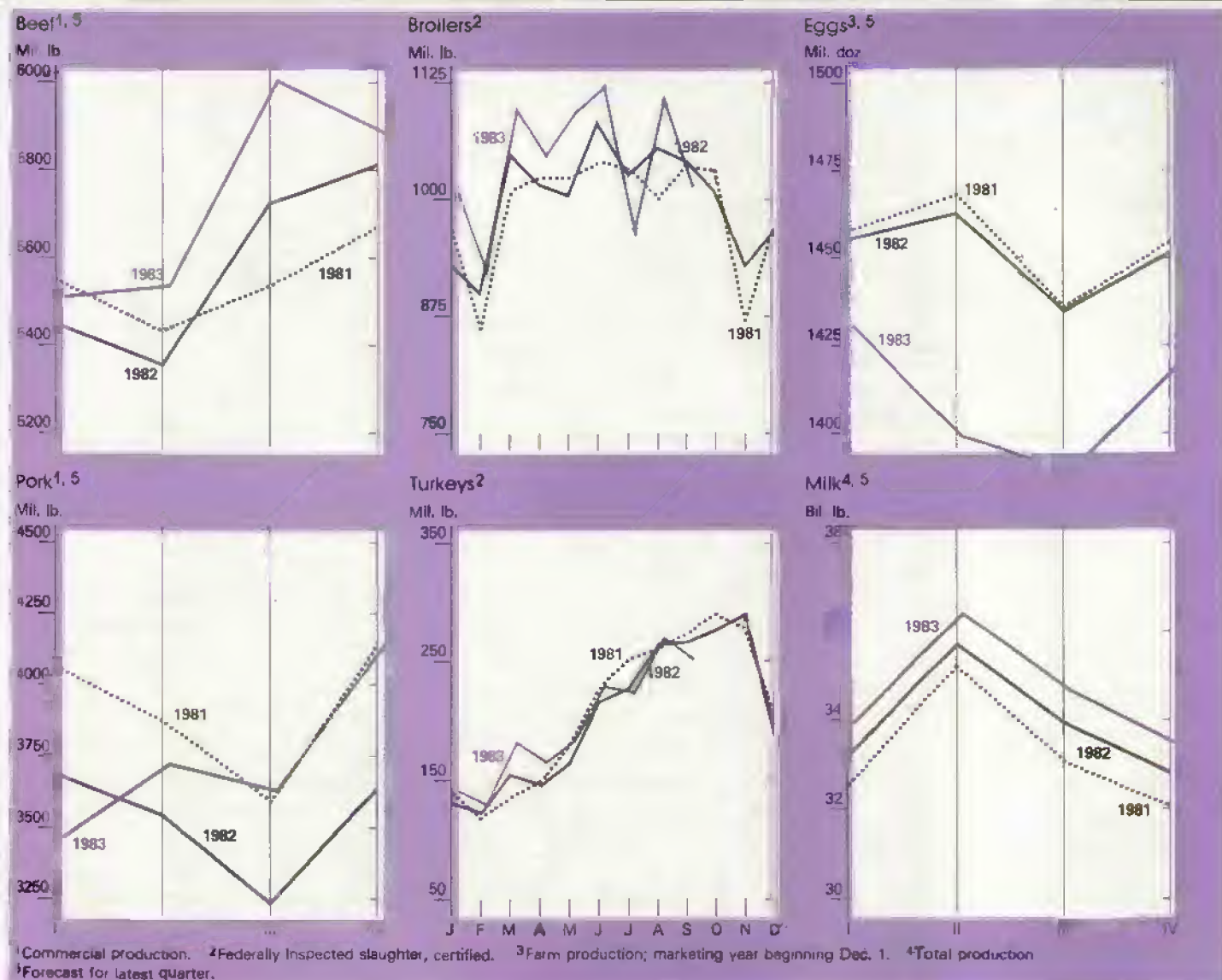
U.S. pork production during 1983 was about 15 billion pounds, 6 percent above a year earlier, but still 5 percent less than in 1981—a peak production year. Feeding was unprofitable for almost every month in 1983, resulting in a reduction in the breeding herd.

Barrow and gilt prices at the seven markets likely averaged \$47 per cwt in 1983, down 15 percent from a year earlier. Prices dropped to the high \$30's in late October and November, but they recovered some in early December. Prices in fourth-quarter 1984 were expected to average \$39 to \$41 per cwt. Economic recovery moderated the decline in hog prices this fall.

Because of continued high feed costs and weak hog prices, producers will likely to reduce the breeding inventory and farrow fewer sows during December 1983-February 1984. Pork production for 1984 may be around 14,700 million pounds, down 2 percent from 1983, but 4 percent above 1982.

Hog prices in first-quarter 1984 are expected to average \$42 to \$46 per cwt, compared with \$55 a year earlier. As





production slows, prices could rise to \$45 to \$49 in the second quarter. In the first half of 1984, the growing economy and little change in competing meat supplies will add some strength to hog prices.

Hog prices in the second half of 1984 may average \$50 to \$56 per cwt, compared with \$43 to \$44 in 1983. Lower pork and beef production, along with improving personal incomes, will boost prices. On the other hand, broiler production is expected to rise, moderating price increases by filling part of the void. [James Nix (202) 447-9805 and Leland Southard (202) 447-8636]

## Poultry

World production of poultry meat has risen steadily for several years. However, weak import demand caused stagnant or declining output in some major producing countries. Thus, global broiler production, which accounts for over two-thirds of total poultry meat output, was up only 1 to 2 percent in 1983. Nevertheless, output is expected to increase about 3 percent next year.

U.S. poultry producers will likely see unfavorable prospects in the first half of 1984, but they can look forward to lower feed costs and higher poultry prices in the second half. Although poultry prices are expected to be strong in the first half of the year, costs will continue to be high.

Demand for poultry products is expected to remain strong as the economy continues to expand and unemployment declines.

U.S. broiler production in 1984 is forecast up 3 percent from 1983. During the first half, production is expected to be about equal a year earlier because of high feed costs and large supplies of competing meats. On the other hand, production in the second half is projected to increase 5 percent.

Turkey producers are forecast to reduce output in the first half of 1984. Therefore, production may be down 6 percent from the 1,043 million pounds produced in first-half 1983. If grain prices moderate this spring and competing meat supplies decline, turkey producers may expand second-half production 3 percent from the 1,525 million pounds produced this year. [James Nix (202) 447-9805 and Allen Baker (202) 447-8636]

#### Eggs

U.S. egg production during fourth-quarter 1983 likely declined about 4 percent from 1982's 1,479 million dozen. Replacement pullets were likely down 13 percent from a year earlier, but more hens were force molted and kept in production longer.

During the first half of 1984, egg production may be 1 to 3 percent below 1983's 2,832 million dozen. Replacement pullets in the first quarter of 1984 will about equal the previous year, but the chick hatch during September and October 1983 was above a year earlier, indicating that egg producers are starting to gear up for higher output late in 1984. With limited replacements, producers will likely continue to force molt old hens. However, high feed costs may force producers to sell old birds earlier.

If grain prices decline and egg prices are above 1983's, producers may continue to increase the hatch of replacement pullets in the third and fourth quarters of 1984; these pullets could begin increasing egg supplies in the fourth quarter. Thus, third-quarter output is expected to be near 1983's reduced production, but fourth-quarter output may increase 1 to 3 percent from a year earlier.

The prices for Grade A large eggs delivered to stores in New York during third-quarter 1983 averaged 74 cents a dozen, up from 66 cents a year earlier. Prices in the fourth quarter likely averaged 86 cents, up from 68 cents in 1982. Prices this year were higher longer than usual, reflecting the decline in supplies and disruptions in the normal marketing patterns caused by the avian influenza.

With smaller egg supplies and large meat production in the first half of 1984, egg prices may average 72 to 77 cents, up from 67 cents a year earlier. If prices of competing high-protein foods increase, egg prices may average 75 to 79 cents in the second half, down from 1983's 80 cents. [Allen Baker (202) 447-8636]

#### Dairy

International prices for dairy products are not expected to strengthen over the next several months. Production of dairy products is forecast to grow faster than use, even if world economic conditions improve markedly in 1984.

Milk production in the major dairy countries likely exceeded 403 million metric tons in 1983, a 3-percent rise from a year earlier. Most of the gain came from increased productivity, since cow numbers were relatively stable. Milk production in the USSR and Poland rose dramatically because of a continuing improvement in feed and forage supplies over the last 2 years. The European Community (EC) probably registered a 3.5-percent gain, as milk output rose sharply in the Federal Republic of Germany, the United Kingdom, and the Netherlands. Milk production also made sharp advances in the United States, Australia, and Japan. In contrast, both Canada and Mexico posted declines.

The 1984 outlook is for a small rise in world milk production — around 1 percent. A further increase is anticipated

for the USSR if feed and forage supplies remain adequate. Meanwhile, EC milk production may grow a little over 1 percent if cow numbers do not expand. Furthermore, any gain in the EC will be held back by higher costs for concentrate feed and less abundant supplies of roughage. Limited export prospects for butter and cheese are expected to keep New Zealand's milk production at 6.8 million tons for the third consecutive year.

Since fluid milk supplies are increasing and consumption is rather sluggish, world production of butter, cheese, and nonfat dry milk is expanding rapidly. Production of butter in the major dairy countries likely reached 6.9 million tons in 1983, an 8-percent rise from 1982. The output of nonfat dry milk probably neared 4.9 million tons, up 9 percent, and worldwide cheese production likely increased 2 percent.

In the United States, record milk production and lower commercial disappearance during 1983 have weakened prices and pushed USDA purchases to a record 16 to 18 billion pounds. The outlook for next year presented nearly the same picture under the old legislation, but a new law, the Dairy and Tobacco Adjustment Act of 1983, was signed on November 29. Therefore, milk production is expected to drop substantially, while commercial disappearance will likely improve, leaving USDA purchases much smaller in 1984. Most of the production drop is expected to be caused by a decline in cow numbers, but the timing and extent of this decrease is uncertain at this time.



The recently enacted Dairy and Tobacco Adjustment Act of 1983, previously known as the "compromise bill," sets the minimum support price of milk at \$12.60 per cwt until September 30, 1985. However, if on April 1, 1985, annual purchases by the Commodity Credit Corporation are projected to exceed the equivalent of 6 billion pounds of milk, the Secretary of Agriculture could reduce the support price by 50 cents per cwt. An additional 50-cent-per-cwt cut in the support level could be made on July 1, 1985, if annual purchases are projected to exceed 5 billion pounds, milk equivalent.

The act contains a mandatory 50-cent-per-cwt deduction from all milk sales to help fund a paid diversion program. The paid diversion will be \$10 per cwt when producers lower their marketings from a certain base level. The act also includes a mandatory deduction of 15 cents per cwt for dairy product promotion, research, and nutrition education. However, producers will be given a 10-cent credit for qualified State or local promotion programs already in effect.

Under the program, producers would specify a 5- to 30-percent contract reduction from the average of their calendar 1981 and 1982 marketings or from the total amount of their calendar 1982 sales, whichever they select. The Secretary has the authority to lower individual contracts if the sum of all the reductions exceeds the total needed. In addition, the Secretary can adjust contracts to minimize the impact of dairy cow slaughter on the beef, pork, and broiler markets.

Producers who contract are required to sign up for the duration of the 15-month program. Both the paid diversion and deduction authority will apply only to the 48 contiguous States and will end on March 31, 1985.

## CROP HIGHLIGHTS

### Feed Grains

The coarse grain outlook for 1983/84 contrasts sharply with the pattern of recent years, when the world was faced with ample supplies, prospects of huge stock buildups, and diminishing trade. World coarse grain production is estimated down nearly 100 million tons (13 percent), with most of the decline in the major exporters, especially the United States. With the smaller crop and global use expected to rise for the second consecutive year, countries will be forced to dip into stocks. Corn prices will likely remain firm, which could limit use and stimulate consumption of other grains and possibly wheat.

Coarse grain production in the Northern Hemisphere, excluding the United States, is estimated at a record high. Poor crops in Canada and Europe have been more than offset by bumper harvests in the Soviet Union, China, and Mexico. However, the poor U.S. harvest (the lowest in more than 15 years) dominates the situation in the Northern Hemisphere; U.S. stocks may be drawn down to less than one-fourth of this season's carryin.

Therefore, increasing attention will be focused on crop prospects in the Southern Hemisphere. Crops in South Africa, Australia, and Brazil are expected to rebound sharply from last year's drought-induced shortfalls, while Argentina is forecast to have another good crop, comparable to last year's.

Global coarse grain trade for 1983/84, at about 89 million tons, is expected to be slightly below the preceeding year. Tight global supplies of coarse grains and higher prices, particularly relative to wheat, will likely delay any significant recovery in import demand this year. Continuing financial problems could limit demand in key importing areas, such as Eastern Europe, Mexico, Morocco, and Egypt.

On the other hand, there are several bright spots. Despite a bumper harvest, Soviet imports are expected to decline only slightly from last year because of increasing feed requirements. The European Community may seek more coarse grains because of a poor harvest and a shift from other feed ingredients that are higher priced. As of November 24, total U.S. forward sales were about 40 percent stronger than a year earlier, and that strength could continue as the world economy grows. Forward sales to Japan were more than 80 percent above a year earlier.

Global carryover stocks are expected to drop by an unprecedented 57 percent from last season's record, to the lowest in 8 years. World stocks as a percent of use will consequently fall to about 7.9 percent—the lowest ratio since the mid-1970's, when use was more than 100 million tons lower than it is now. Without the cushion of huge ending stocks prevalent in recent years, greater market uncertainty would have characterized the 1983/84 marketing season.

U.S. corn production declined about 50 percent from last year, to about 4.1 billion bushels, because of government programs and last summer's drought. Nevertheless, record-high beginning stocks of 3.1 billion bushels cushioned the impact. Therefore, almost 185 million metric tons of corn (7.3 billion bushels) are available for 1983/84—about 32 percent less than during 1982/83. About 49 million metric tons of sorghum, barley, and oats combined bring the total feed grain supply to about 234 million—about 28 percent less than 1982/83's record 326.4 million.

Sorghum and oat supplies are down 23 and 8 percent, respectively, from a year earlier. Barley is the only feed grain in greater supply this year. Large beginning stocks and a small gain in this year's crop increased barley supplies 82 million bushels, from the 683 million of a year earlier.

[William Paddock (202) 382-1347 and Clifford Carman (202) 447-8636]

Use of feed grains during 1983/84 is expected to total 211 million tons, nearly 8 percent less than a year earlier. But this season's use will likely exceed production by a whopping 76 million tons, leaving stocks of 23 million at the beginning of next season—a 77-percent plunge and the lowest carryin since 1975/76. U.S. exports of feed grains will likely rise about 2 percent, thus holding our share of world trade at 56 percent for the marketing year.

The average U.S. farm price for corn is forecast at \$3.40 to \$3.80 a bushel for 1983/84, a dramatic increase compared with 1982/83's \$2.65. With corn prices substantially higher this year, prices for sorghum, barley, and oats will also average well above a year earlier. [Lyle Sebranek (202) 382-8874 and Larry Van Meir (202) 447-8776]

### Food Grains

World output of food grains—wheat and rice—will be up slightly in 1983/84. However, U.S. output is down sharply—by almost 15 percent for wheat and 33 percent for rice. U.S. farm prices are forecast up for both crops, because government programs and bad weather in rice areas reduced rice supplies and will likely keep wheat stocks from rising. Nevertheless, export earnings will probably fall because of a stagnant world demand that will depress sales volume.

World wheat output is expected to rise to a record 481.4 million metric tons this season, 1 percent above last year. The U.S. crop is forecast to drop more than 14 percent, or 10.9 million tons, but foreign production will likely rise nearly 13 million tons (3 percent). Both foreign exporters and major importers are expected to have production gains again this year.

World consumption could rise only slightly from 1982/83 because wheat feeding in the Soviet Union—a major market—will likely decline. The USSR and the United States account for 30 percent of global use. Outside of these two countries, wheat use will probably rise 5 percent, with especially large increases in China, India, and the European Community (EC). World consumption could fall short of production for the third consecutive year.

In 1982/83, above-normal supplies in some major importing countries and poor economic conditions worldwide depressed global trade, while strong competition caused U.S. sales to fall. For this season, those factors will likely continue, magnified by slightly higher wheat prices. World trade (excluding intra-EC trade) is forecast at 101 million metric tons, nearly 3 percent above 1982/83, but below 1981/82. Both world trade and U.S. exports will probably be below trend. U.S. exports are forecast at 38.1 million tons, down 3 million from last year and 10 million below the 1981/82 peak.

The 1983/84 average price for U.S. wheat is forecast between \$3.50 to \$3.70 a bushel, compared with last year's \$3.53. In 1984/85, wheat prices could fall because of higher production and a 35-cent reduction in the loan rate for the 1984 crop.

For the 1984 wheat crop, U.S. output is expected to rise, and total world area and production may also increase. Even with an increase in per capita consumption and slow world trade and U.S. exports, the advances in output will likely more than offset the increases in disappearance, thus maintaining high stocks for 1984/85.

World production of milled rice in 1983/84 is forecast at 290 million tons (427 million, rough basis), the fourth consecutive record. Because of government programs and bad weather, U.S. rice production accounts for only 1 percent of world output this year, down from 2 percent in 1982/83.

Rice use probably won't change much this year, because many of the poor countries still can't produce enough to feed their large populations. World use is forecast to exceed production for the fifth straight year, eating away at stocks. U.S. ending stocks will also fall, but at 1.1 million tons, they will remain high relative to production.

World rice exports will about equal 1982/83 shipments, but they will remain below the peak levels of the

early 1980's. Good crops in some countries and poor economic conditions in several others are depressing import demand. Large Indonesian demand and India's first commercial imports since 1976 have provided the only stimulus to a lackluster trade situation.

U.S. rice exports continue sluggish. South Korea needs less medium grain rice because of a good crop last year and expectations for a normal-sized one this year. Meanwhile, major markets for long grain rice, such as Nigeria, are responding to much lower Thai prices. Therefore, barring any promotion programs, U.S. exports for 1983/84 are forecast at 2.2 million tons.

In 1984/85, U.S. export volume will likely rise marginally as prices drop slightly with a rebound from this year's reduced output. World area, production, and use are expected to increase, with some room for expansion in trade. The U.S. share of world production and exports may rebound to 2 and 18 percent, respectively. [Eileen Manfredi (202) 447-8912 and Bruce Weber (202) 447-4146]

### Oilseeds

World oilseed production for 1983/84 is forecast at 162.3 million metric tons, down 16.9 million from a year earlier, primarily because of the smaller U.S. soybean crop. Production of oilseeds other than soybeans is forecast at 84.8 million tons, slightly less than last year.

World protein meal consumption (soybean meal equivalent) is forecast to decline nearly 4 million tons to about 91 million, a 3-percent drop from last year. Soybean meal use will fall 5 percent to 57.8 million tons, while the consumption of other protein meals will be essentially unchanged from last year's at 33 million tons. Soybean meal use will decline in most areas, particularly in the United States and the European Community (EC)—because prices of other feeds are less expensive—and in Eastern Europe—because of its serious economic problems.

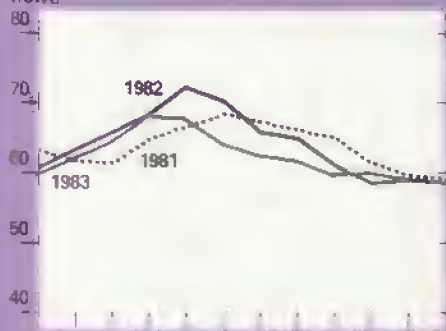
In the face of reduced supplies, soybean oil consumption is expected to be about 13 million tons, a decline of



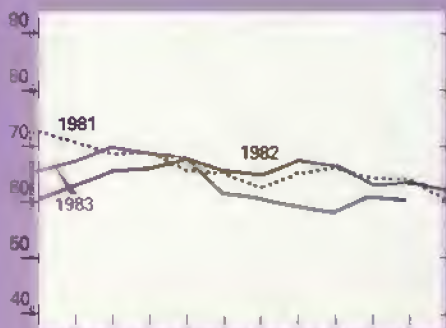
# Commodity Market Prices: Monthly Update

Choice steers<sup>1</sup>

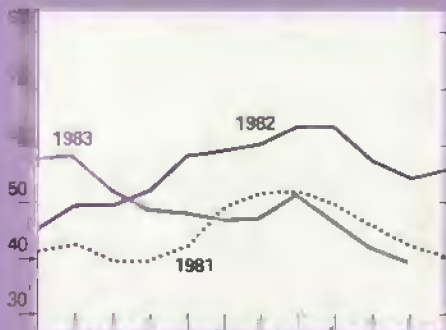
\$/cwt.



Choice feeder cattle<sup>2</sup>



Barrows and gilts<sup>3</sup>



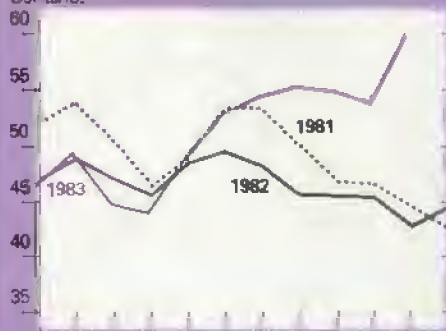
All milk



Prices for most recent month are mid-month prices  
<sup>1</sup>Omaha. <sup>2</sup>600-700 lbs., Kansas City. <sup>3</sup>7 markets.

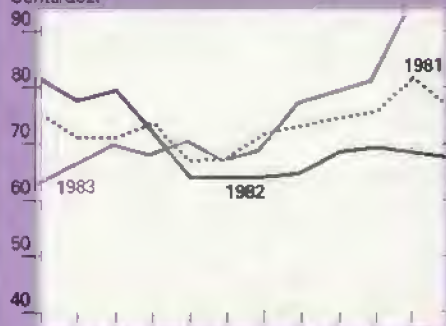
Broilers<sup>4</sup>

Cents/lb.



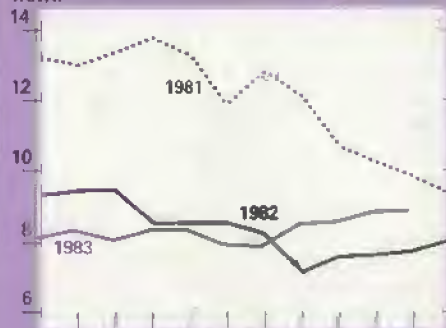
Eggs<sup>5</sup>

Cents/doz.

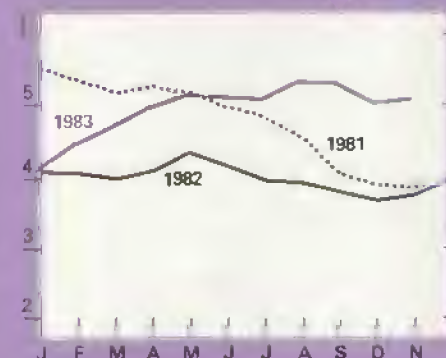


Rice (rough)

\$/cwt.



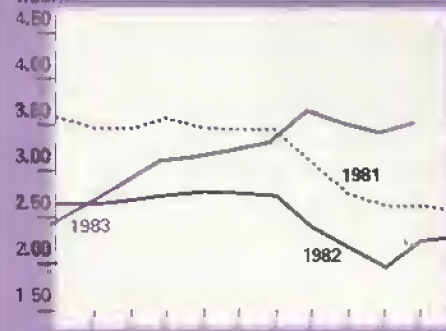
Sorghum grain



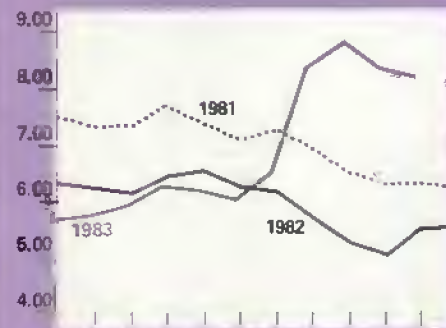
<sup>4</sup>Wholesale, New York. <sup>5</sup>Grade A Large, New York.

Corn<sup>6</sup>

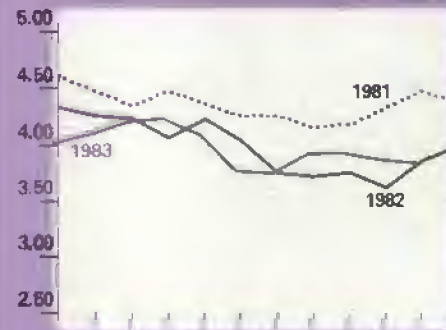
¢/bu.



Soybeans<sup>7</sup>

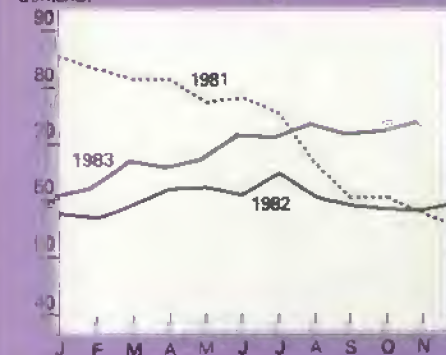


Wheat<sup>8</sup>



Cotton<sup>9</sup>

Cents/lb.



<sup>6</sup>No. 2 Yellow, Chicago. <sup>7</sup>No. 1 Yellow, Chicago.  
<sup>8</sup>No. 1 HRW, Kansas City.  
<sup>9</sup>Average spot market, SLM, 1-16."

about 380,000 tons from 1982/83 — the first decrease in recent memory. However, the consumption of palm and other oils will increase to offset this drop. Therefore, total oil consumption may increase slightly from the 1982/83 volume.

World soybean stocks at the end of 1983/84 are expected to be about 9.4 million tons, a drop of about 7.8 million from a year earlier. In terms of crush, world stocks of soybeans at the end of 1983/84 will represent about 1.5 month's crush, compared with more than 2.5 months at the end of 1982/83.

Because consumption of soybean meal is expected to be down and total oil consumption up slightly in 1983/84, trade will also decline for most countries. U.S. soybean exports are forecast to drop about 5 million tons, but exports of soybeans from the Southern Hemisphere are expected to take up some of the slack—raising that hemisphere's exports 1.2 million tons. Imports of soybeans are expected to decline in most areas, especially in the EC, Spain, and Mexico.

World exports of soybean meal are forecast to slide by about 1.4 million tons. U.S. exports will fall 1.3 million tons, while Brazilian shipments will likely remain the same and Argentine exports will climb 300,000 from last year.

World imports of soybean oil will decline in 1983/84, with decreases in most areas, especially India, the USSR, and Eastern Europe. On the export side, U.S. shipments are forecast to fall about 300,000 tons, and Brazilian exports about 75,000, but Argentine exports will be up 60,000.

U.S. soybean production for 1983/84 is estimated at 1.5 billion bushels, down 31 percent from a year earlier. With beginning stocks of 387 million bushels, total supplies are forecast at 1.9 billion, down 23 percent from last year.

High prices will reduce use. The crush is forecast at 975 million bushels, and exports at 720 million—declines of 12

and 20 percent, respectively. Beginning stocks are expected to fall to 140 million bushels next September 1. The season-average U.S. farm price will likely reach \$8.50 to \$9.50 a bushel, up from last year's \$5.57.

Total soybean meal disappearance is projected at 23.4 million short tons in 1983/84, down 3 million tons from last season. Domestic consumption is expected to be 17.8 million tons, down 8 percent from last season, while exports are forecast around 5.7 million, a 20-percent decrease from last season. The decline in domestic use is based on an anticipated drop in livestock production.

Domestic soybean oil consumption is forecast at 9.75 billion pounds, off only slightly from 1982/83's 9.86 billion. Oil use varies little with price changes, but it does rise as the per capita gross national product (GNP) improves. Consequently, with GNP expected to strengthen, this year's lower oil production will be felt more in exports and stocks. Exports are forecast to decline a third to 1.4 billion pounds, and stocks are projected to fall nearly 40 percent to 775 million. (Richard McDonnell (202) 382-0142 and Roger Hoskin (202) 447-8776)

#### Cotton

An expected increase in 1983/84 world cotton consumption, coupled with smaller production, will reduce ending stocks to about 24.8 million bales. Prospects for world trade during 1983/84 remain about the same as last season because nearly all of the increase in consumption is expected in countries that are self-sufficient in cotton production. Moreover, China and Pakistan, among others, are beginning to increase yarn exports to markets that traditionally import raw cotton, thus reducing the potential for U.S. sales.

Foreign cotton production has made steady gains in recent years, showing an uninterrupted rise from 49 million bales in 1978/79 to 57.8 million this season. Individual countries have varying track records. China, the Soviet Union, India, and Pakistan could account for about two-thirds of all foreign production in 1983/84. All but

Pakistan show production increases from 1982/83 and also account for most of the improvement in foreign mill use expected this year. With foreign production continuing to improve, the drop in the world outturn is due to the smaller U.S. crop.

Reflecting a continued gradual recovery in the world economy and renewed demand for textile products, world cotton consumption in 1983/84 is projected at 69.3 million bales, an increase of nearly 2 million from last season. About 90 percent of this increase is forecast to occur in China, the United States, the Soviet Union, and India. However, each of these countries is self-sufficient in cotton production, thus constraining the growth in world trade. In contrast, consumption in the major importing countries of Asia will likely remain stagnant in light of high raw cotton prices, increasing use of manmade fibers, and fierce competition from countries that export textiles at low cost.

World cotton prices rose steadily for the first 10 months of 1983. The Northern European "A" Index averaged about 89 cents a pound in mid-November, compared with 68 cents a year earlier. The U.S. payment-in-kind program, an improving world economy, and prospects for smaller exportable supplies spurred the climb in international prices.

The U.S. cotton supply for 1983/84 is expected to be 15.5 million bales, down 17 percent from a year earlier. Total production is forecast at 7.5 million bales, and beginning stocks were 7.9 million. Total use of U.S. cotton is forecast at 11.6 million bales, up nearly a million bales from last year, with the increase coming from both exports and mill use. Mill use has risen because of growing incomes and changing consumer tastes, while production difficulties in Pakistan and the USSR have improved export prospects. Ending stocks may drop to 4 million bales, 3.9 million less than a year earlier. (Leon Mears (202) 447-8809 and Terry Townsend (202) 447-8444)



## Tobacco

The world tobacco market continues to be sluggish, and the outlook for 1984 is for more of the same. Prospects show ample supplies, little growth in consumption and trade, and downward pressure on leaf prices.

The U.S. tobacco outlook for 1984 is highlighted by reduced, yet large supplies and declining demand, both domestic and export. While production dropped 30 percent from last year, this year's supply is down only about 5 percent because of large beginning stocks.

Under July 1983 legislation, this year's price supports for burley, flue-cured, and all other eligible kinds of tobacco are the same as in 1982.

Burley auctions opened November 21. Prices are off about 1 cent a pound from last season's alltime high because of poorer crop quality. Therefore, cash receipts could drop sharply. This year's 1983 flue-cured auctions ended November 17, with prices averaging \$1.78 a pound, about 1 cent a pound below a year ago.

At the beginning of 1983/84, unsold tobacco held under government loan totaled about 790 million pounds (farm-sales weight), about double that of a year earlier. The big jump resulted from 260 million pounds of flue-cured and 269 million of burley from the 1982 crops. Loans for the 1983 flue-cured crop totaled 163 million pounds, and this amount plus the carryover from the 1982 outturn and older crops create a large oversupply.

The size of the 1984 crop will partly depend on USDA's decisions on quotas, which under current law have to be made by December 15 for flue-cured and February 1 for burley and other kinds. Basic quotas for both flue-cured and burley will likely be reduced. However, effective quotas may increase from 1983 levels, especially for burley, because the quota carryover will rise substantially. Higher effective quotas and average yields point to a larger crop next year. Prices may change little from this year, but the hike in production may be large enough to increase the total value of the crop.

The Dairy and Tobacco Adjustment Act of 1983 freezes 1984 price supports at the 1982 and 1983 levels and permits the Secretary of Agriculture to reduce support on less marketable grades of flue-cured tobacco. The legislation abolishes leasing of flue-cured quotas beginning in 1987, and requires imported tobacco to be inspected for grade and quality to the extent feasible. Beginning in 1984, no more than 15,000 pounds of burley quota can be leased and transferred to a single farm, instead of the current 30,000.

[Kenneth Howland (202) 447-3000 and Verner Grise (202) 447-8776]

## Fruit

Noncitrus fruit production was substantially smaller in 1983 because of the harsh weather last winter and spring. However, increased production can be expected in the years ahead, as the bearing acreage continues to increase. Supplies of fresh noncitrus fruit will be adequate this winter, reflecting larger crops of apples and winter pears.

In contrast, this season's citrus crop is projected to be moderately larger than last season. With the improved economy, demand should be stronger. So even with larger citrus supplies, prices will likely hold relatively firm.

Prices for some canning fruits were negotiated at the same levels as a year ago, but others were higher. Overall, grower returns will increase moderately, and the fruit industry should have another profitable year.

So far this year, larger supplies of apples and oranges and a moderate rate of increase in marketing costs have held retail prices of fresh fruit slightly lower than a year ago. Prices will likely decline seasonally with increased supplies of apples and citrus, but they are likely to average slightly above a year ago through this winter.

The index of grower prices for fresh and processing fruit through third-quarter 1983 averaged 28 percent

below last year. However, prices have steadily advanced. The November index rose to 120 (1977=100), up almost 3 percent from October, but still 33 percent below a year earlier. Prices were lower for all citrus, but they were higher for apples and pears. Prices of strawberries remained unchanged from a year ago. However, orange prices may strengthen somewhat with the sharply smaller California navel crop. Apple prices are expected to decline when larger supplies become available. Nevertheless, the 1983 index of grower prices is still expected to average significantly below a year earlier. [Ben Huang (202) 447-7290]

## Vegetables

Through mid-1984, prices of most vegetables will average above the previous year's relatively low levels because of increased consumer demand due to economic recovery and reduced supplies of some items.

For all food, the volume of grocery store sales through August 1983 was up moderately, while restaurant sales posted even more robust gains. Vegetables, especially fresh ones, shared in the increase. In addition, strong restaurant sales boosted the use of frozen potato products during first-half 1983. Use of fresh potatoes and other processed vegetables has also risen.

During 1983, production of fresh vegetables and melons likely fell somewhat from 1982's record output. Increased production during winter and summer partially offset declines in spring and fall. A substantial drop in the onion crop contributed the most to the decline.

Grower prices of fresh vegetables in 1983 likely averaged about 6 percent higher than in 1982, while the retail price index probably rose about 4 percent. For 1984, both grower and retail prices are forecast to rise 5 to 10 percent.

Per capita consumption of vegetables during 1982 totaled 220.9 pounds (farm-weight equivalent, excluding potatoes and sweetpotatoes), compared with 214.8 in 1981 and 212.9 in 1972. Fresh consumption, which was 10

pounds more than in 1972 and the highest since 1952, propelled the 1982 gain. Dietary concerns and restaurants' mass adoption of salad bars were the motivating forces. This year's consumption may have declined slightly because of production setbacks, although larger imports may have partially offset this. [Michael Stellmacher (202) 447-7290]

#### Sugar

World production of centrifugal sugar is forecast at 94.7 million metric tons (raw value) in 1983/84, 6.3 million below 1982/83. Production of cane sugar is expected to account for 60.4 million tons, and beet sugar 34.3 million, down 5 and 8 percent, respectively. The declines reflect poor growing conditions in several countries and low world sugar prices that spurred a reduction in the area of both crops.

Global consumption is expected to advance 2 percent from 1982/83's estimated 92 million tons. This growth will come from population increases, a modest recovery in the world economy, and continued weak prices caused by increased supplies—especially in developing nations.

For the sugar year begun this past September, most aspects of world trade are expected to follow recent trends. Focusing on demand, 1983/84 imports will likely approximate 26 million tons, just over one-quarter of anticipated world production. As usual, the bulk of new-crop sugar will be consumed or go into stocks in those countries where it is produced.

From spring 1981 to now, world prices (as measured by the International Sugar Agreement's daily price) dipped to a low of 5.76 cents a pound in September 1982 and peaked at 10.74 cents in June 1983. Prices have again fallen below 10 cents.

World sugar production should roughly balance demand in 1983/84, but the huge surpluses generated over the last

two seasons will still hang over the market. Thus, no sharp price increases are in the outlook for the next several months. Ending stocks for 1983/84 are forecast at 46.1 million tons—49 percent of consumption and relatively unchanged from this past August.

U.S. production of beet and cane sugar is expected to total 5.75 million metric tons (raw value), almost equal the previous season. The output of U.S. beet sugar may total 2.65 million tons, slightly less than last year. Sugar beet production is estimated at 21.2 million tons, close to a year earlier. However, recoverable sucrose is reported down in California because of wet weather that delayed harvesting, and in some parts of the Great Plains because of early frost.

The U.S. output of cane sugar is placed at 3.1 million tons, slightly above 1982/83. Production is expected to be up in Florida, Hawaii, and Texas, but down slightly in Louisiana.

Sugar imports in fiscal 1983 (excluding receipts from Puerto Rico) totaled 3.154 million tons (raw value), about 370,000 below fiscal 1982. That total consists of 2.889 million tons entered under quota, 174,000 of quota-exempt raw sugar for reexport in refined form (permitted since June 28, 1983), and 91,000 of sugar blends (sugar equivalent).

U.S. sugar consumption in fiscal 1983 totaled about 9 million tons. Per capita consumption of refined sugar is estimated at 71.7 pounds, 2.6 pounds below last year and down 14.2 pounds from fiscal 1980.

The domestic price of raw sugar (c.i.f., duty/fee-paid, New York) averaged 21.8 cents a pound in fiscal 1983—5 percent above the Market Stabilization Price (MSP) of 20.73. Effective October 1, an MSP of 21.17 cents a pound was established for the 1983/84 crop. Spot prices in November were 21.8 cents a pound, 1 cent up from November 1982. [Peter Buzzanell (202) 382-8910 and Robert Barry (202) 447-7290]

#### Upcoming Crop Reporting Board Releases

The following list gives the release dates of the major Crop Reporting Board reports that will be issued by the time the January/February *Agricultural Outlook* comes off press.

#### January

4	Poultry Slaughter
6	Dairy Products
	Vegetables
10	Turkeys
11	Crop Production
12	Turkey Hatchery
13	Potato Stocks
17	Milk Production
18	Cattle on Feed
20	Livestock Slaughter
	Cold Storage
	Catfish
23	Grain Stocks
	Rice Stocks
25	Crop Values
	Eggs, Chickens & Turkeys
30	Cattle
31	Egg Products
	Agricultural Prices

#### February

1	Poultry Slaughter
2	Dairy Products
10	Crop Production
13	Turkey Hatchery
14	Cattle on Feed
	Potato Stocks
15	Milk Production
	Sugar Market Statistics
16	Prospective Plantings

Reports available through subscription only. For subscription information, write or call: Jerry Clampet, SRS-Crop Reporting Board, Rm. 5809-South Bldg., Washington, D.C. 20250. (202) 447-2130.





## Income and Finance Update

### 1984 FARM INCOME OUTLOOK

The income position of farmers in 1984 will be stronger than in the past few years, although differences could exist among farms and regions of the country. Net farm income is forecast at \$29 to \$34 billion, up from 1983's estimated \$22 to \$24 billion.<sup>1</sup>

Prospects will not only be influenced by farm production here and abroad, but also by U.S. farmers' participation in government programs; input use and capital purchases; and the strength of worldwide economic recovery, especially as it affects demand for farm products, interest rates, and input prices. With crop output expected to rise in 1984, the value of inventories will again play an important role.

Farm prices could average 7 to 9 percent above this year's, as prices for crops rise 7 to 9 percent and those for livestock climb 4 to 6 percent. Crop prices during the first half will likely average above a year earlier, but they will probably be lower during the second half, if the 1984 harvest rebounds to a more normal level.

<sup>1</sup>The estimate for 1983 net farm income has been lowered from \$24 to \$26 billion to \$22 to \$24 billion, mostly because of continued reductions in crop production leading to further declines in the value of farm inventories. However, the forecast for 1983 net cash income remains at \$42 to \$44 billion—a nominal record high.

Meanwhile, prices paid by farmers are expected to rise 5 to 7 percent, as the costs of farm-origin inputs rise 7 to 9 percent and those for other inputs advance 4 to 6 percent. The increase in prices paid by farmers, although greater than during the past 2 years, largely reflects the continued moderation in the general inflation rate. Seed prices are expected to rise the most from 1983 levels—perhaps more than a tenth—because of lower supplies due to the drought. Significant increases in interest rates are not expected.

### Gross Income To Rise

Favorable cash receipts will combine with relatively high government payments [cash payments plus disbursements from the payment-in-kind (PIK) program] to lift gross farm income well above the estimate for 1983. Although sizable, government cash payments will be half the \$5 billion expected for 1983, as strong prices into 1984 reduce or eliminate some deficiency payments. Deficiency payments for wheat, however, will probably account for a large percentage of cash payments. The provision for milk diversion payments contained in the Dairy and Tobacco Adjustment Act of 1983 will also add to cash payments in 1984.

The value of 1983 PIK commodities disbursed during early 1984 is forecast between \$3 to \$5 billion. Except for the 1984 PIK program for wheat, the milk diversion program, and the completion of the 1983 PIK redemptions, government programs are not expected to play as strong a role in farm finances next year. However, with larger crops in 1984, prices during the last quarter could fall below target levels. This would trigger deficiency payments, which will mostly be disbursed during 1985, except for wheat and barley.

### Cash Receipts To Improve

Cash receipts are expected to increase 3 to 5 percent from 1983's anticipated \$142 billion, reflecting higher prices for both crops and livestock. Despite

lower dairy receipts, total livestock receipts may rise slightly as prices respond to lower marketings and a recovering economy.

Beef production is expected to fall in 1984, a result of higher grain prices and the summer drought. But the decline will likely be more than offset by increased cattle prices, leaving receipts up 2 to 4 percent. With high feed costs and low returns this fall and winter, pork production is also forecast to decline. However, higher hog prices will likely raise cash receipts by 1 to 3 percent. Meanwhile, broiler receipts are again expected to rise, perhaps 4 to 6 percent. Cash receipts from dairy farming may fall because milk marketings are expected to decline and prices (unadjusted for deductions) may change only slightly. (Deductions are handled in the income accounts as an expense item.)

Cash receipts from crops are expected to gain 4 to 7 percent because of high prices in the first half of 1984 and larger marketings in the second. Increases for oil crops, cotton, and feed grains will lead the gain. Wheat receipts are forecast to fall 7 to 9 percent; prices may slip in the last part of the year if participation in the 1984 farm program turns out to be low and production is strong.

Receipts for feed grains and hay are forecast to rise more than a tenth from the estimated 1983 level. Meanwhile, soybean receipts could rise a fifth as strong prices offset reduced volume. Marketings of feed grains and soybeans should improve in the fourth quarter, and prices could decline as the 1984 crops rebound from this year's low.

Despite the short 1983 harvest, cotton supplies will be adequate because of large stocks. Nevertheless, receipts will likely recover from this year's decline, perhaps rising a tenth. For tobacco, higher prices and larger production will also likely raise receipts a tenth.

Vegetable receipts are expected to rise 4 to 6 percent as output and prices improve from 1983. Receipts from fruit and nuts may climb a tenth; higher prices will combine with a small increase in volume to hike receipts.

## Other Sources of Income Also Favorable

Increased planted and harvested acreage in 1984 will likely raise income from machine hire and custom work, pushing the forecast of cash income from miscellaneous sources to around \$2.1 billion. "Nonmoney" income, which includes the gross rental value of farm dwellings and the value

of commodities consumed on the farm, is forecast only slightly higher than in 1983—reflecting little change in gross rental values.

## Production Expenses To Rise

With input use expected to recover to the 1982 level and prices paid likely to rise with the rate of inflation, production expenses for 1984 could expand 7

to 9 percent. As farmers increase planted acreage, outlays for manufactured inputs will likely rise the fastest, followed by miscellaneous operating expenses. Of manufactured inputs, the greatest increases are likely for fertilizer, seed, fuels, pesticides, repairs and operation, hired labor, and machine hire.

Feed expenses are forecast to increase slightly as higher prices are offset by reduced use. Feed prices may fall toward the end of the year, and use could accelerate if crop yields return to trend. Purchased livestock expenses are forecast to rise nearly 10 percent, with most of the increase coming from higher prices for feeder livestock. Seed expenses are expected to rise significantly—perhaps as much as 25 percent—as planted acreage moves back toward pre-1983 levels and seed prices average higher because of lower supplies due to the drought.

Slightly higher fuel prices—mostly due to a recovering economy and increased planted acreage—will raise fuel expenses more than 10 percent from 1983. As planted acreage expands and cash flow improves, fertilizer use is expected to recover. So, prices could increase significantly, pushing fertilizer expenses about a fifth above this year. Rebounding use will be the major factor in the 14- to 18-percent rise forecast for pesticide expenses.

Expenses for interest on non-real estate debt will likely rise 5 to 7 percent in 1984, as both average interest rates and outstanding debt increase. Meanwhile, interest expenses for real estate debt may climb 4 to 6 percent, mostly because of increases in outstanding debt. Depreciation expenses, currently expected to rise slightly, will depend on the degree of recovery in machinery sales, which is expected to occur as cash income improves.

## Dairy Deductions Added

A new expense item, dairy deductions, will be in the 1983 and 1984 accounts. This item includes a 50-cent-per-cwt deduction from the sale of all milk beginning on April 16, 1983, and an additional, potentially refundable 50-cent deduction beginning on September 1, 1983, and ending on November 30, 1983.

Farm Income and Cash Flow Statement

Item	1980	1981	1982	1983F	1984F
	\$ Bil.				
<b>Farm income sources</b>					
1. Cash receipts . . . . .	140.6	142.3	144.6	141-143	145-149
Crops <sup>1</sup> . . . . .	72.7	73.1	74.4	71-73	74-78
Livestock . . . . .	67.8	69.2	70.2	69-71	69-73
Cash government payments . . .	1.3	1.9	3.5	4-6	2-5
Value of PIK commodities . . .	0.0	0.0	0.0	3-5	4-6
2. Direct government payments .	1.3	1.9	3.5	8-10	6-10
3. Other cash income <sup>2</sup> . . . . .	1.6	2.0	2.1	1-3	1-3
4. Total cash income (1+2+3) <sup>3</sup> .	143.4	146.2	150.1	152-154	155-159
5. Nonmoney income <sup>4</sup> . . . . .	12.1	13.3	13.9	13-15	13-15
6. Realized gross income . . . . .	155.5	159.4	164.0	166-168	169-173
7. Value of inventory change . . .	-5.3	7.6	-1.9	-8-10	6-10
8. Total gross income (6+7) . . .	150.1	167.1	162.2	157-159	177-161
<b>Production expenses</b>					
9. Cash expenses <sup>5,6</sup> . . . . .	105.3	111.5	113.8	109-111	119-123
10. Total expenses . . . . .	128.6	137.0	140.1	135-137	145-149
<b>Income statement</b>					
Net cash income: <sup>1,6</sup>					
11. Nominal (4-9) . . . . .	38.1	34.7	36.3	42-44	35-39
Deflated (1972\$) <sup>7</sup> . . . . .	21.3	17.7	17.5	19-21	15-17
Net farm income: <sup>1</sup>					
12. Nominal total net (6-10) . . .	21.5	30.1	22.1	22-24	29-34
Total net (1972\$) <sup>7</sup> . . . . .	12.0	16.4	10.7	10-12	12-15
Total net (1967\$) <sup>8</sup> . . . . .	8.7	11.0	7.6	7-9	9-11
13. Off-farm income . . . . .	37.7	39.9	39.4	40-42	41-45
<b>Other sources and uses of funds</b>					
14. Change in loans outstanding <sup>9</sup> .	15.2	15.5	6.8	3-5	8-12
Real estate . . . . .	9.4	9.3	3.7	2-4	2-6
Non-real estate <sup>9</sup> . . . . .	5.9	6.2	3.1	-1-1	4-8
15. Rental income . . . . .	5.6	5.7	6.0	4-6	4-6
16. Gross cash flow (11+14+15) . .	58.9	54.4	48.0	51-53	50-54
17. Capital expenditures <sup>6</sup> . . . . .	18.0	16.8	13.9	12-14	15-19
18. Net cash flow <sup>1,6</sup> (16-17) . . . .	40.9	39.0	34.1	37-39	33-37

F = forecast. <sup>1</sup> Includes net CCC loans. <sup>2</sup> Income from custom work, machine hire, and farm recreational activities. <sup>3</sup> Numbers in parentheses indicate the combination of items required to calculate a given item. <sup>4</sup> Value of home consumption of farm products and imputed rental value of farm dwellings. <sup>5</sup> Excludes depreciation, perquisites to hired labor. <sup>6</sup> Excludes expenses associated with farm dwellings. <sup>7</sup> Deflated by the GNP implicit price deflator. <sup>8</sup> Deflated by the CPI-U. <sup>9</sup> Excludes CCC loans.



The net deduction will be included as an expense item because the reported price of all milk will continue to reflect the price at the plant before deductions. Thus, cash receipts for dairy will remain unchanged by the deductions, but expenses will increase accordingly. For 1983, dairy deductions likely totaled about \$7 million, and they may total somewhat less in 1984.

**Net Cash Income To Fall, But Net Farm Income May Rise**  
Growth in crop and livestock receipts will likely more than offset the decline in government payments, leaving total cash income up modestly. But even with the probable increases, rising expenses could push net cash income down to \$35 to \$39 billion, compared with the \$42 to \$44 billion estimated for 1983.

Gross cash flow could remain near 1983's level, but the sources of funds could change; increased borrowing may offset decreased net cash income. Capital expenditures are also expected to increase measurably for the first time in 4 years, leaving net cash flow down somewhat from 1983, but still above the 1982 low.

#### 1984 FINANCE OUTLOOK

The outlook for 1984 suggests a general financial improvement for the farm sector, but continued difficult conditions for some farmers. Interest rates are expected to equal those for 1983, with perhaps some rise during the latter part of the year. Because the inflation rate is expected to remain low—5 to 6 percent—real interest rates will stay at record levels.

Based on several Federal reserve bank surveys, the decline in farmland values that began in 1981 appeared to have bottomed out and reversed by the middle of this year. However, the drought might have affected the market for farmland. In any event, real growth in farmland values is not likely next year.

#### Farm Sector Balance Sheet<sup>1</sup>

	1983p	1984F	Percent change
	\$ Bil. <sup>2</sup>		Percent
<b>Assets.</b>			
Real estate assets . . . . .	773	790-805	2 to 4
Non-real estate assets <sup>3</sup> . . . . .	276	270-294	2 to 7
Total . . . . .	1,049	1,060-1,099	1 to 5
<b>Liabilities.</b>			
Real estate debt . . . . .	110	112-114	2 to 4
Non-real estate debt . . . . .	106	103-106	-3 to 0
Total . . . . .	216	215-220	-0 to 2
<b>Equity . . . . .</b>	<b>833</b>	<b>845-888</b>	<b>1 to 7</b>
Debt-to-asset ratio . . . . .	20.6	19.6-20.8	

p = preliminary, F = forecast, <sup>1</sup> As of January 1, <sup>2</sup> Nominal terms.

Real farm equity likely declined for the fourth consecutive year in 1983, and the prospects for 1984 are not good. Hence, the farm sector's real wealth could continue to slide, reducing borrowing capacity and maintaining the demand for government loan programs.

With the encouragement of lenders, heavily leveraged farmers will continue to restructure their balance sheets to improve cash flow. Debt growth will keep moderating and could decline in absolute terms. By January 1, 1984, debt on farm real estate will likely increase only 2 to 4 percent from a year earlier. Moreover, non-real estate debt at the beginning of the new year could be 3 percent less than the previous January. Commercial banks and the Farmers Home Administration are the only farm lenders in either loan market that are doing business at a reasonably strong pace.

Although it is more difficult for farmers to qualify for credit, money is available. As in the past year or two, the major constraint to obtaining credit next year will be the condition of farmers' financial statements; creditworthy operators will have no trouble obtaining funds.

Growth in farm debt during 1984 will continue to be slow relative to the 1970's, leading to possible reductions in both the debt/asset ratio and the ratio of interest expenses to net cash in-

come. However, continued improvement in the debt burden would require dramatic changes in either interest rates, outstanding farm debt, or net cash income. Nevertheless, even a slower growth in the latter ratio would alleviate much of the pressure.

Important adjustments are occurring that will likely lead to a stronger, more profitable farm sector in the future. Farm liquidations are at higher-than-normal rates and could continue high at least for the next couple of years. Also, the slower debt growth will help improve conditions for highly leveraged operators, as well as the sector as a whole.

Finally, gross investment has been declining for the past 3 years, while net investment has been negative since 1981. Although final investment for 1983 is still unknown, it will likely be weak. Demand for farm machinery and equipment has been weak—due to low farm income, high interest rates, and a reduction in acres planted—despite the PIK program's initial boost to cash flow and machinery sales. A continuation of negative net investment could lead to lower farm productive capacity, ameliorating the oversupply problem. (Gary Lucier (202) 447-2317 and Stephen Gabriel (202) 447-7340)



## World Agriculture and Trade

### 1984 EXPORT OUTLOOK

After 2 years of decline, the value of U.S. farm exports is expected to rise to \$39 billion in fiscal 1984, up 12 percent from 1982/83's \$34.8 billion. The forecast about equals the 1981/82 level, but is still below the 1980/81 record. Higher prices, especially for coarse grains and soybean products, are expected to boost earnings. On the other hand, the total volume of exports will likely decline about 5 million metric tons to 140 million. Agricultural imports may increase moderately to \$17 billion, allowing the agricultural trade surplus to climb to \$22 billion, up \$3.6 billion from fiscal 1983.

The current world economic recovery is weak compared with the 1976 turnaround, indicating only a mild increase in overseas demand for U.S. farm commodities. Consumption of all goods in the major foreign industrialized economies will likely grow only marginally in 1983 and about 2 percent in real terms in 1984. Unemployment rates, though lower than during the spring, are still higher than at any other time since World War II, and they will likely remain high through 1984, especially in Europe. Also, the strong dollar will continue to dampen overseas demand.

Foreign crops are expected to fare well in 1983/84, particularly wheat, rice, and soybeans. Supplies are large in both foreign exporters and in major U.S. markets, depressing trade prospects. India will import less wheat, and South Korea less rice.

On the other hand, several factors will benefit U.S. exports. Wheat prices will likely rise only slightly and be roughly

equal to those for corn. This major change in the wheat/corn price ratio may induce an U.S. increase in wheat feeding and could encourage larger purchases. Also, foreign coarse grain supplies are short until next spring, when production in the Southern Hemisphere becomes available. Thus, demand for U.S. coarse grains will likely rise, and higher prices will boost earnings even more.

### U.S. Agricultural Exports

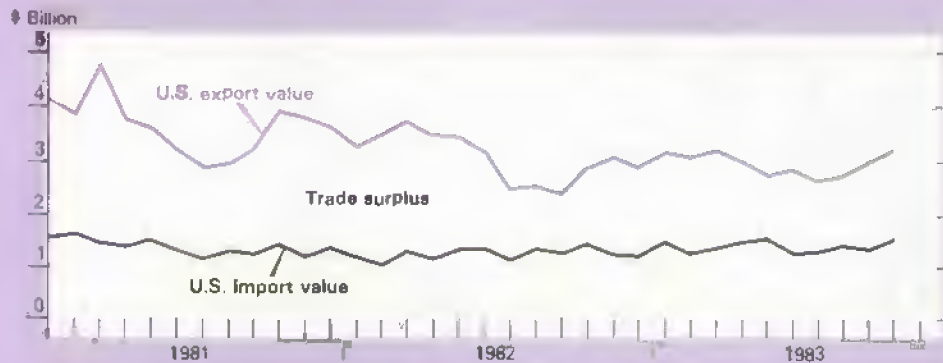
	Fiscal years			
	1981	1982	1983p	1984F
	\$ Bil.			
Grains & feed . . . . .	21.900	17.615	15.194	17.7
Wheat & flour . . . . .	7.965	7.675	6.223	6.4
Rice . . . . .	1.537	1.149	.874	.9
Feed grains . . . . .	10.512	7.051	6.582	8.6
Corn <sup>1</sup> . . . . .	8.966	5.962	5.717	7.4
Oilseeds & products . . . . .	9.400	9.731	8.873	10.0
Soybeans . . . . .	5.986	6.479	5.866	6.9
Soybean cake & meal . . . . .	1.599	1.453	1.449	1.4
Soybean oil . . . . .	.457	.498	.462	.5
Cotton & linters . . . . .	2.248	2.163	1.703	1.8
Fruit, nuts, & vegetables . . . . .	3.084	2.851	2.689	2.8
Tobacco . . . . .	1.339	1.486	1.487	1.4
Seeds . . . . .	.283	.296	.325	.3
Sugar & tropical products . . . . .	1.372	.838	.705	.8
Livestock & products . . . . .	3.148	3.164	2.995	3.2
Dairy products . . . . .	.243	.372	.354	.5
Poultry & products . . . . .	.765	.579	.451	.5
<b>Total<sup>2</sup> . . . . .</b>	<b>43.780</b>	<b>39.095</b>	<b>34.776</b>	<b>39.0</b>
	Million metric tons <sup>3</sup>			
Grains & feed . . . . .	42.247	44.609	36.699	37.5
Wheat . . . . .	.940	.721	1.587	1.1
Wheat flour . . . . .	3.172	2.911	2.276	2.2
Rice . . . . .	69.383	58.179	53.769	55.6
Feed grains . . . . .	59.367	49.608	47.105	47.6
Corn <sup>1</sup> . . . . .	5.820	6.007	6.991	6.7
Feeds, ingredients, & toddlers . . . . .	19.972	25.477	24.522	19.6
Oilseeds & products . . . . .	6.149	6.266	6.449	5.2
Soybeans . . . . .	.739	.941	.919	.7
Soybean cake & meal . . . . .	1.426	1.542	1.363	1.0
Soybean oil . . . . .	.301	.103	.229	.2
Sunflowerseed . . . . .	.441	.289	.239	.2
Sunflower oil . . . . .	1.264	1.556	1.209	1.2
Other oilcakes & meal . . . . .	3.405	3.138	3.041	3.1
Cotton & linters . . . . .	.252	.254	.245	.2
Fruit, nuts, & vegetables . . . . .	.386	.398	.384	.4
Tobacco . . . . .	1.536	1.497	1.431	1.4
Beef, pork, & variety meats . . . . .	.395	.314	.251	.3
Animal fats . . . . .	4.508	3.666	3.165	3.4
Poultry meat . . . . .				
Other . . . . .				
<b>Total<sup>2</sup> . . . . .</b>	<b>162.337</b>	<b>157.868</b>	<b>144.769</b>	<b>140.0</b>

p = preliminary. F = forecast as of October 31, 1983. <sup>1</sup> Excludes products. <sup>2</sup> Totals may not add because of rounding. <sup>3</sup> Actual export tonnages not converted to product equivalents. Excludes animal numbers and some commodities reported in cases, pieces, dozens, liquid measures, etc.

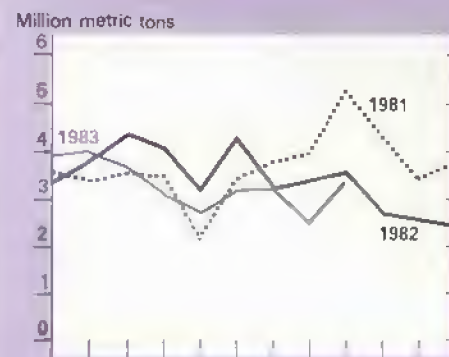


# U.S. Agricultural Trade Indicators

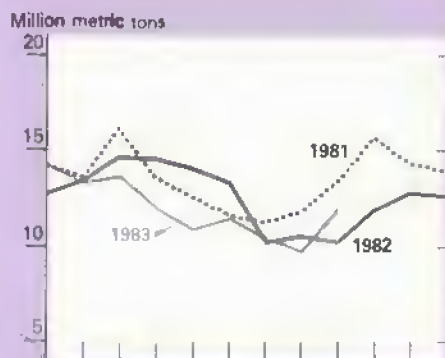
## U.S. agricultural trade balance



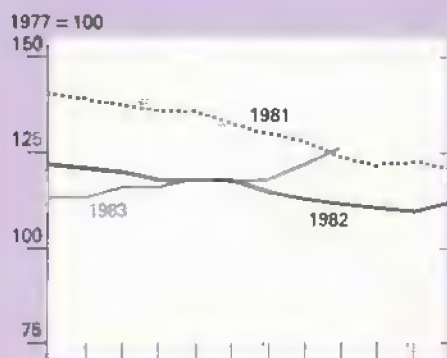
## U.S. wheat exports



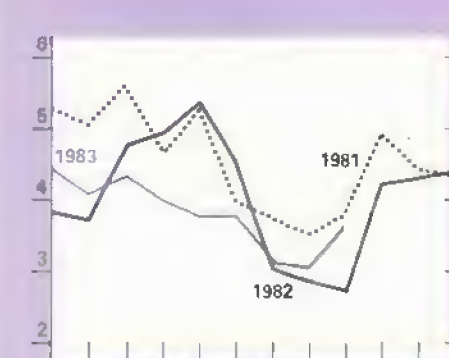
## Export volume



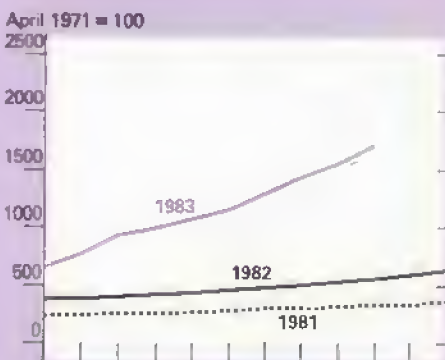
## Export prices



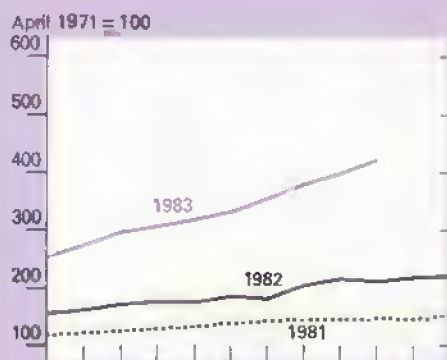
## U.S. corn exports



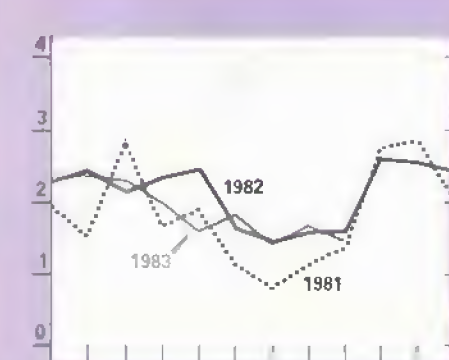
## Wheat exchange rate\*



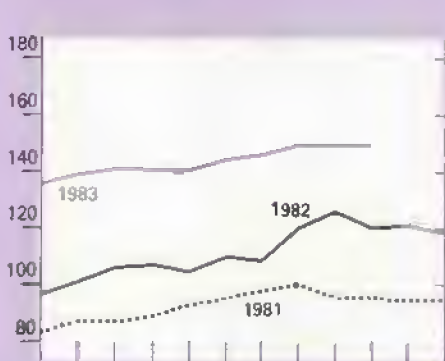
## Corn exchange rate\*



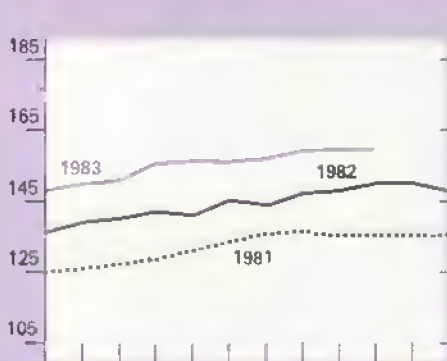
## U.S. soybean exports



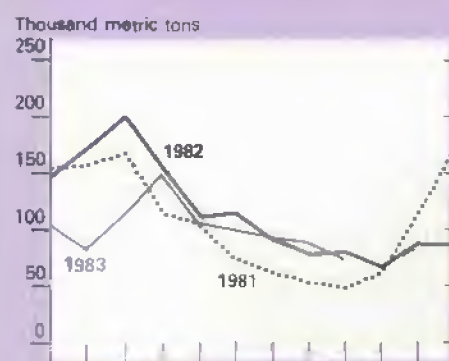
## Soybeans exchange rate\*



## Cotton exchange rate\*



## U.S. cotton exports



\*Foreign currency value of U.S. dollar, weighted by relative size of agricultural trade with the United States. An increasing value indicates that dollar has appreciated against the basket of currencies represented in that particular commodity market.

## Export Values for Grain And Oilseeds To Increase

U.S. grain shipments are expected to rise about 2 million tons in fiscal 1984, and with higher prices, their value may increase \$2.5 billion. Sales to Europe, the USSR, Mexico, and South Korea will likely climb.

A strong U.S. dollar, coupled with sharply higher prices for all of the oilseed components—especially soybeans and products—will likely curtail import demand. So, soybean exports may fall almost 5 million tons. Even with higher grain prices, the soybean meal/grain price ratio in the European Community (EC) will be extremely high and will hinder meal use. Furthermore, sharply higher prices for soybean oil will probably encourage a switch to palm and other oils in many markets.

Exports of livestock, poultry, and dairy products, which showed the smallest decline in fiscal 1983, are expected to rise slightly this year. All the increase will be in beef—especially high-value beef shipments to Japan. Shipments of tallow will hinge on how closely its price follows those for vegetable oils.

## REGIONAL HIGHLIGHTS

### Exports to Developed Countries May Increase

• **Western Europe.** A greater degree of self-sufficiency in agricultural production has contributed to Western Europe's reduced demand for U.S. farm products—particularly for grains. In addition, the 64-percent appreciation in the U.S. dollar against the European Currency Unit since 1980 has been a large factor in cutting demand for U.S. soybeans and products. The 1984 outlook calls for a shift in feed rations, from soybean meal to coarse grains, domestic wheat, and nongrain feed, such as corn gluten and nonfat dry milk, as higher prices for soybean meal favor substitution of other feedstuffs.

In light of the EC's current budgetary crisis, reform of the Common Agricultural Policy seems more likely in 1984

## U.S. Agricultural Exports by Region

Region <sup>1</sup>	Fiscal years			
	1981	1982	1983p	1984F
	\$ Bil.			
Western Europe . . . . .	11.824	12.171	10.149	11.5
European Community . . . . .	8.921	8.888	7.629	8.7
Other Western Europe . . . . .	2.903	3.283	2.519	2.8
Eastern Europe . . . . .	2.056	.921	.827	.9
USSR . . . . .	1.706	2.322	.983	1.7
Asia . . . . .	16.133	14.135	13.588	15.1
Middle East <sup>2</sup> . . . . .	1.780	1.486	1.482	1.7
South Asia <sup>3</sup> . . . . .	.598	.711	1.170	.8
Southeast & East Asia <sup>4</sup> . . . . .	4.832	4.383	4.501	5.0
Japan . . . . .	6.739	5.735	5.889	6.7
China . . . . .	2.184	1.819	.546	.9
Canada . . . . .	2.141	1.869	1.870	2.0
Africa . . . . .	2.845	2.450	2.273	2.7
North Africa <sup>5</sup> . . . . .	1.514	1.395	1.453	1.6
Sub-Saharan Africa . . . . .	1.331	1.055	.820	1.1
Latin America . . . . .	6.870	4.933	4.858	4.9
Mexico . . . . .	2.732	1.493	1.777	1.9
Central America & Caribbean . . . . .	1.181	1.107	1.129	1.2
South America . . . . .	2.957	2.333	1.952	1.8
Oceania . . . . .	.208	.294	.228	.2
Total . . . . .	43.780	39.095	34.776	39.0
Developed countries <sup>6</sup> . . . . .	20.912	20.069	18.136	20.4
Less developed countries . . . . .	16.925	13.964	14.284	15.1
Centrally planned countries . . . . .	5.946	5.062	2.356	3.5

p = Preliminary. F = forecast. <sup>1</sup> Data are adjusted for transshipments through Canada. <sup>2</sup> Turkey, Cyprus, Syria, Lebanon, Iraq, Iran, Israel, Jordan, Gaza Strip, Kuwait, Saudi Arabia, Qatar, United Arab Emirates, Yemen (Sana), Yemen (Aden), Oman, and Bahrain. <sup>3</sup> Afghanistan, India, Pakistan, Nepal, Bangladesh, and Sri Lanka. <sup>4</sup> Mongolia, Burma, Thailand, Vietnam, Laos, Malaysia, Singapore, Indonesia, Brunei, Philippines, Macao, Korea, Hong Kong, Taiwan, and Cambodia. <sup>5</sup> Morocco, Algeria, Tunisia, Libya, and Egypt. <sup>6</sup> Western Europe, Japan, Canada, and Oceania.

than in previous years. However, it is unclear whether this will hamper or improve U.S. prospects. If current proposals—such as a tax on vegetable oil consumption and a levy on corn gluten feed—are passed, U.S. shipments would be impaired.

• **Japan.** Despite anticipated hikes in export prices, Japan is not expected to alter its purchases of U.S. farm products in fiscal 1984. In fact, the U.S. share of the market for coarse grains is forecast to increase. On the other hand, the Japanese did lift their ban on Danish pork imports. Therefore, Denmark, Japan's top pork supplier before the ban, may recapture its market share.



• **Canada.** Agricultural exports to Canada are forecast to increase 7 percent, approaching \$2 billion. Canadian economic recovery is continuing at a steady, but moderate pace. While imports of high-value products will likely increase, purchases of grains and oilseeds are expected to decline because livestock production will likely remain flat. However, Canada may develop shortages of feed grains later in the year.

• **Oceania.** The value of U.S. agricultural exports to Oceania may decline a fifth in fiscal 1984 because of the strong dollar. In Australia, better weather has reduced the need for imports of oilseeds and meal. Therefore, U.S. exports of soybeans, protein meal, and vegetable oils will drop sharply. If the U.S. dollar remains near its current value, shipments of fruit, vegetables, and nuts may also drop.

#### **Exports to Centrally Planned Countries Could Expand**

• **USSR.** U.S. agricultural sales to the USSR are expected to increase sharply in fiscal 1984, to \$1.7 billion, compared with less than \$1 billion last year. Almost 90 percent of total sales will likely be grains. U.S. farm sales to the USSR averaged \$1.7 billion during fiscal 1977-82.

• **Eastern Europe.** U.S. agricultural exports to Eastern Europe are forecast at approximately \$885 million, slightly above fiscal 1983. The export decline, which began in fiscal 1981, may have bottomed out because of: 1) lower grain, sunflowerseed, and other crops in 1983; 2) stable hog and poultry numbers; and 3) higher export unit values for corn and soybeans and products. Nevertheless, to reach this forecast, the U.S. Government would need to provide credit guarantees similar to last year's \$265 million. No guarantees have been announced so far.

• **China.** China's purchases of U.S. agricultural products will rebound to an estimated \$900 million, from the low of \$546 million in fiscal 1983. Nevertheless, purchases will still fall far short of 1981's record \$2.2 billion.

Increased purchases of grain and its accompanying higher prices are responsible for the increase. Wheat will regain its dominant position in grain imports. Corn, which accounted for 53 percent of all grain imports last year, will likely drop to around 18 percent of the total because of better Chinese production and higher U.S. prices. Despite improved relations with the United States, China is not expected to resume purchasing large quantities of cotton or soybeans because of large Chinese production and stocks.

#### **Purchases by Developing Nations To Rise Modestly**

• **Middle East.** Agricultural exports to the Middle East are projected to increase about 15 percent to \$1.7 billion, with gains in sales to Iraq and the Arabian Peninsula. In addition, exports to Turkey will be higher because of a substantial shipment of barley.

• **South Asia.** U.S. farm exports to South Asia are projected below \$8 million, down a third from fiscal 1983, because of a drop in expected wheat sales to India and, to a lesser extent, Bangladesh. Furthermore, the volume of soybean oil exports is forecast to shrink.

• **East and Southeast Asia.** For fiscal 1984, U.S. agricultural exports to East and Southeast Asia are forecast at slightly over \$5 billion. In general, higher commodity prices account for the roughly 10-percent increase in value from a year earlier, as well as for a slowdown in shipments. Despite the outlook for better economic growth, the strong U.S. dollar and ongoing fiscal austerity will likely curtail demand. In addition, regional supplies, particularly of corn and rice, are projected to recover from the 1982/83 drought-reduced harvest.

• **North Africa.** Agricultural exports to this region are forecast at \$1.6 billion, up about 10 percent from a year earlier. At less than \$600 million, sales to the Maghreb countries probably won't increase much in fiscal 1984. Among these nations, Algeria is expected to buy more U.S. wheat, while Morocco may buy less. Egypt will be the brightest spot, with greater sales of corn, livestock products, and tobacco. Wheat and flour shipments to

Egypt increased about 20 percent last year, to about 3 million tons, but the volume is expected to decline this year unless additional credit arrangements are made.

• **Sub-Saharan Africa.** U.S. agricultural exports to Sub-Saharan Africa will likely reach \$1.1 billion, up 35 percent from fiscal 1983 and about the same as fiscal 1982. Grains and preparations will likely account for about 80 percent of the total. Exports to Nigeria are projected at \$365 million, up about 12 percent from fiscal 1983. Feed grain sales to the region will likely triple, mainly because of record corn imports by South Africa.

• **Latin America.** U.S. farm exports to Latin America in fiscal 1984 are expected to be about \$4.9 billion, up slightly from a year earlier. Higher prices will offset some of the decline in quantity. This forecast is based on the assumption that Latin American production will return at least to trend levels and that tight foreign exchange and sluggish economic growth will persist for another year.

#### **U.S. Farm Imports To Increase**

Increases in both volume and value could push U.S. agricultural imports up 4 percent to \$17 billion, continuing their upward climb. The factors that limited farm exports—the expensive dollar and slow economic growth—continue to encourage imports. Sugar imports under quota are expected to increase 6 to 8 percent, with the likelihood of large re-exports. Also, substantial increases in prices for domestic soybean oil may promote larger imports of palm oil.

Another commodity to watch in 1984 is coffee. If rumors of a poor-quality Brazilian crop are substantiated, world prices may stabilize rather than decline. (Eileen Manfredi (202) 447-8912 and Stephen Milmo (202) 447-8054)



## Inputs

With increased crop acreage projected for 1984, use of fertilizer and pesticides should be up substantially. Crop acreage will likely be 11 to 17 percent greater than in 1983. Corn acreage, which accounts for 40 percent or more of all fertilizer and pesticide use, is projected to increase about 37 to 43 percent. As a result, fertilizer consumption may be about 20 percent greater than last season, while pesticide use is expected to increase somewhat less, though this may vary with the pest problems in each area.

### Fertilizer Use, Prices To Rise

Total fertilizer consumption for 1983/84 is forecast at about 22 million metric tons, up 4 million from a year earlier. Use of nitrogen, phosphate, and potash is projected at 11, 5, and 6 million tons, respectively.

Fertilizer prices paid by farmers in October averaged about 5 percent below a year ago. Nevertheless, prices in spring 1984 are expected to average

about 10 percent more than a year earlier for nitrogen and 5 percent more for phosphate. Little change is likely for potash.

- **Nitrogen** supplies for agricultural and industrial uses during 1983/84 could be up about 10 to 13 percent from last season's 12.4 million tons. Although inventories at the beginning of the season were down 4 percent from a year earlier and production is forecast up only 5 to 10 percent, imports will likely increase about 15 percent. Meanwhile, exports could drop more than 10 percent.

- **Phosphate** supplies are expected to increase about 8 percent to 6.2 million tons and should be adequate for domestic use and exports. Inventories at the start of 1983/84 were about the same as last year, and with imports accounting for only 1 to 2 percent of the U.S. phosphate market, all of the increase in supplies will be due to domestic production, which is forecast at about 10 million tons. Exports take up a major share of U.S. production (typically 40 percent). Phosphate exports increased 4 percent in 1982/83 and could rise more than 10 percent this year.

- **Potash** supplies for 1983/84 are expected to climb about 17 percent, after an 8-percent drop last season. This increase would cause supplies to slightly exceed 1981/82's 6.3 million tons. Since imports account for 80 percent of U.S. supplies, virtually all of the rise will be due to these purchases. Exports only amount to about 10 percent of supplies. With the farm sector expected to use about 20 percent more potash, 1984/85 beginning stocks should be smaller than this year's.

### Pesticide Use Likely To Rebound

Because of reduced crop area, pesticide use dropped about 14 percent last season. However, use on major field and forage crops this year is expected to return to about 1981/82's 550 million pounds of active ingredients.

Although overall pesticide production may be down about 2 percent, large stocks carried over from 1982/83 assure plentiful supplies. Beginning stocks rose 26 percent from a year earlier and were equal to more than 40 percent of last season's supplies. Last season's prices were little changed from the previous year, and a similar situation is expected for 1983/84.

Only herbicide supplies are projected to be down (about 6 percent), while insecticides and fungicides should be up 7 and 6 percent, respectively. Although herbicide production is forecast to drop 18 percent, inventories are nearly a third greater than last season. Therefore, supplies are expected to exceed requirements for major field and forage crops by about 40 percent. Insecticide supplies will be double anticipated needs.

Exports account for a major share of pesticide sales. Typically, about one-fourth to one-third of U.S. production is exported, and shipments are expected to rise nearly 10 percent this year. About 27 percent of the herbicides and 36 percent of the insecticides are slated for export.

Growth in the use of herbicides has been leveling off in recent years, and growth rates will probably continue to decline. The mix of materials will also continue to change as more post-emergent herbicides are introduced and conservation tillage continues to gain acceptance. Insecticide use may decline further as synthetic pyrethroids, which are used at lower rates, are more widely used and pest management and chemical application methods improve. (Theodore Eichers (202) 475-4792)





## Food and Marketing

### 1984 FOOD OUTLOOK

In 1984, food prices will likely average 4 to 7 percent above 1983 because of further increases in marketing costs, a moderate rise in farm prices, and stronger consumer demand (prompted by higher real disposable income). Since 1979, when food prices climbed nearly 11 percent, prices have increased at successively lower rates each year. For 1983, food prices likely rose about 2 percent, marking the smallest increase since 1967.

This reduction in price increases has been due to a slowdown in both major components of the consumer food dollar—the farm value of food and the farm-to-retail price spread. In 1983, the farm value, which accounts for about one-third of retail food prices, declined 4 to 5 percent from a year earlier. However, for 1984 this value is expected to increase 4 to 7 percent.

The farm-to-retail price spread has also slowed in recent years. Since the spread accounts for about two-thirds of retail prices, smaller increases in marketing costs dramatically affect food prices. The price spread rose about 4 percent in 1983 and is expected to rise 2 to 5 percent in 1984.

### MARKETING COST PROSPECTS

Food marketing costs increased an estimated 3 percent in 1983, down 2 percentage points from 1982. Through next year, marketing costs will likely continue to rise at moderate rates, ranging from 4 to 7 percent.

The index of food marketing costs (MCI) measures changes in prices of principal inputs, including labor, packaging, transportation, and fuel and power. In the first 8 months of 1983, the total MCI was 2.6 percent above a year earlier, compared with over 5 percent in 1982 and 11 percent in 1981.

Direct labor costs account for about half of all marketing costs. Because of the recession and a decreased rate of inflation, the labor component of the marketing cost index rose only 3 percent this year, after climbing 11 percent 2 years ago. Contract settlements in the food industry have included smaller increases in wages and benefits and, in some instances, decreases. Cost-of-living increases in existing labor contracts have also been smaller, again reflecting the lower inflation

rate. Also, the minimum wage has not risen in several years.

Packaging, transportation, fuel and power, and other miscellaneous components have risen a combined rate of 1 percent this year. The slow economic recovery has held down demand for packaging materials, and prices have averaged slightly below a year earlier. Transportation rates have also increased very little this year, reflecting weak demand and lower costs for diesel fuel. Lower petroleum prices have moderated the climb in electricity rates, but costs for natural gas, the major type of energy used in food processing, have averaged about 20 percent higher.

In 1984, food marketing costs are expected to rise slightly from this year. Many labor contracts provide for wage increases of 4 to 5 percent next year; some contracts in the meat-packing industry hold wages constant through the end of the year. Furthermore, an increase in the minimum wage is unlikely. However, the cost of social security insurance will rise on January 1,

### Rise in Food Prices To Accelerate in 1984 . . .

	Change from previous year					
	1979	1980	1981	1982	1983p	1984F
	Percent					
All food . . . . .	10.9	8.6	7.9	4.0	2.2	4-7
Food away from home . .	11.2	9.9	9.0	5.3	4.4	4-7
Food at home . . . . .	10.8	8.0	7.3	3.4	1.1	3-6

### . . . As the Farm Value Rebounds From the 1983 Low

	Relative weight	Change from previous year					
		1979	1980	1981	1982	1983p	1984F
		Percent					
Retail cost . . . . .	100	11.7	7.2	7.7	3.8	1.1	3-6
Farm value . . . . .	33	10.7	5.5	2.8	1.0	-4.5	4-7
Farm-to-retail price spread . . . . .	67	12.3	8.3	10.5	5.1	4.0	2-5

p = preliminary, F = forecast.

### Increases in Food Marketing Costs: Labor To Slow, Fuel and Power To Climb

1981 1982 1983p 1984F

Percent change from  
previous year

Total mark. costs . . .	11	5	3	4.7
Labor . . .	10	7	4	3.6
Packaging	7	-2	0	3.6
Fuel & power . .	19	5	1	5.8
Transportation . .	16	7	1	3.6

p = preliminary, F = forecast.

putting some upward pressure on labor costs. As the economic recovery gains strength, other marketing components will likely expand along with the general rate of inflation, but the labor component will dampen the overall increase in the MCI.

### RETAIL PRICE OUTLOOK BY COMMODITY

• **Red Meat.** Retail prices in 1983 were about 0.1 percent lower than in 1982. Beef and veal prices declined marginally, while pork prices dropped by slightly more than 1 percent.

For 1984, meat prices will increase 4 to 6 percent from 1983. Because of herd liquidation due to higher feed costs last fall, fewer animals will be marketed in 1984. Therefore, meat prices are expected to be sharply higher in the second half of 1984.

• **Poultry and eggs.** Poultry prices rose about 1.3 percent during 1983. For the first half of this year, broiler supplies were ample—partly because of lower exports. However, faced with higher feed costs and already slim profits, broiler producers slowed production, and retail prices rose sharply in the third and fourth quarters.

Next year, poultry prices are also expected to rise 4 to 7 percent. Prices may weaken a little in the first quarter, before rising in the second and third as consumption shifts from relatively higher priced red meat to chicken. In response, broiler production will likely expand.

Because of smaller supplies, egg prices likely increased about 1.3 percent this year, after falling nearly 3 percent in 1982. Prices are expected to fall some through next summer and then may rise in the fourth quarter.

• **Dairy products.** Retail prices for dairy products have risen slightly over 1 percent this year—a result of somewhat higher marketing costs. The more-than-ample supplies and an unchanged support price of \$13.10 per cwt have kept the farm value the same as a year earlier. A modest rise of 0 to 4 percent is expected for 1984 retail prices of dairy products.

• **Fish and seafood.** Retail prices rose about 1 percent in 1983. The winter saw a strong price increase, but as the weather improved, supplies expanded, bringing down prices. In the fourth quarter, prices began to rise again as supplies waned. The 1984 increase in retail prices will probably be larger than this year's because demand could mount in the second half of the year as consumers shift away from higher priced beef and pork.

• **Fats and oils.** Large supplies of soybean oil earlier this year kept retail prices for fats and oils very near year-earlier levels. However, U.S. oilseed production dropped in fall 1983, particularly the soybean crop. So, prices have increased in recent months, especially for margarine and cooking oil.

In 1984, average retail prices of fats and oils will likely increase 4 to 7 percent because of lower stocks of soybean

oil. Prices would be expected to rise even further, but stocks were record high in 1983.

• **Fruit and vegetables.** Large supplies of apples and oranges held down the Consumer Price Index for fresh fruit this year; prices averaged 2 to 3 percent below 1982. Meanwhile, prices for fresh vegetables averaged only a little more than 2 percent above 1982. For processed vegetables, prices have increased less than 1 percent this year as a result of large stocks of some canned and frozen items.

In 1984, retail prices for fruit and vegetables are expected to rise 4 to 7 percent, with vegetable prices climbing the most, partly because of a small potato harvest. Also, demand for fresh vegetables will likely be strong, putting upward pressure on retail prices. As the apple and California orange crops decline next year, fresh fruit prices will also increase. For processed fruit, large supplies of frozen concentrated orange juice will likely moderate price increases. Barring a January freeze, the Florida orange crop promises near-record yields.

• **Sugar and sweets.** Retail prices for sugar and sweets have risen only about 2 percent this year. The U.S. import quota and fee system that protects domestic sugar producers from the influence of low world prices has kept prices stable. However, an increase in the sugar support price for fiscal 1984 will put some upward pressure on prices next year. Nevertheless, the price rise is expected to be moderate.

### Prices for Many Foods May Rise Considerably in 1984

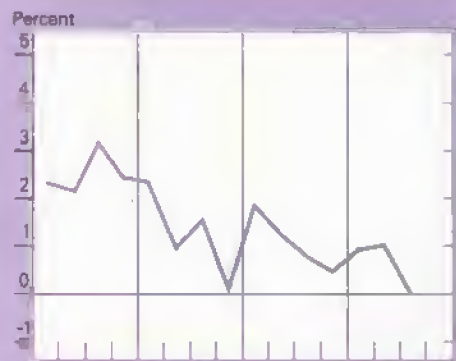
	1981	1982	1983p	1984F
Percent change from previous year				
Meat . . . . .	3.6	4.8	-0.1	4.6
Beef and veal . . . . .	0.9	1.4	-0.6	4.6
Pork . . . . .	9.3	12.9	-1.2	3.6
Poultry . . . . .	4.1	-1.8	1.3	4.7
Fish and seafood . . . . .	8.3	3.6	1.1	2.5
Eggs . . . . .	8.3	-2.8	1.3	4.7
Dairy products . . . . .	7.1	1.4	1.3	0.4
Fats and oils . . . . .	10.7	-2.8	0	4.7
Fruit and vegetables . . . . .	12.0	5.6	.5	4.7
Sugar and sweets . . . . .	7.9	-0.2	2.1	4.7
Cereals and bakery products . . . . .	10.0	4.5	3.2	4.7
Nonalcoholic beverages . . . . .	4.2	2.8	1.9	2.5

p = preliminary, F = forecast.

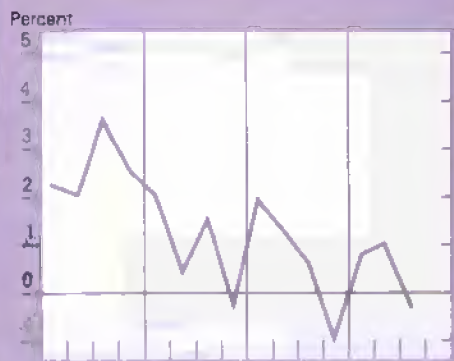


# Food and Marketing Indicators

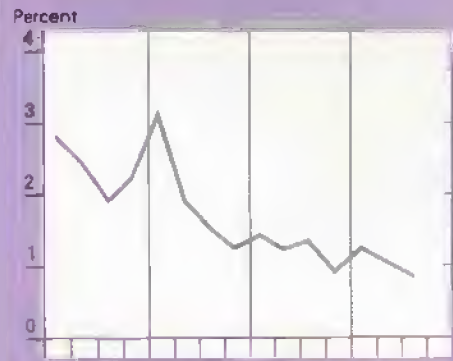
CPI: Total food<sup>o</sup>



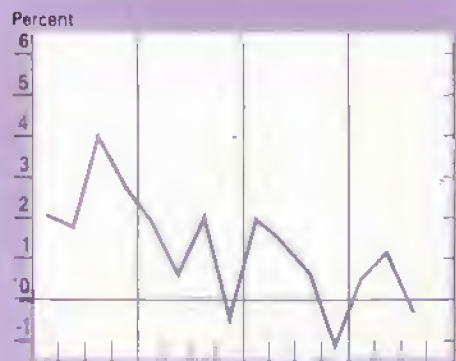
CPI: Food at home<sup>o</sup>



CPI: Food away from home<sup>o</sup>



Farm food market basket, retail price



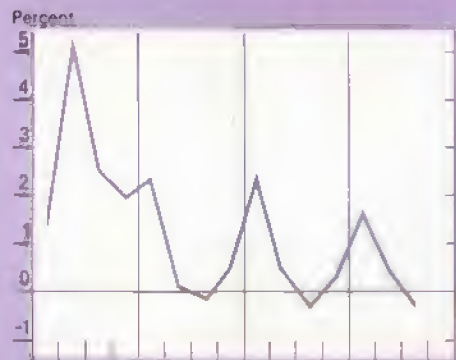
Farm value



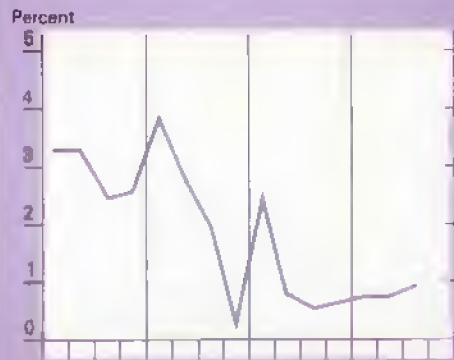
Farm to retail spread



Imported food and fishery products



Marketing cost index



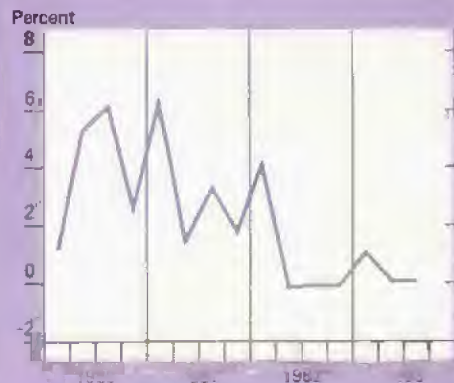
Labor cost



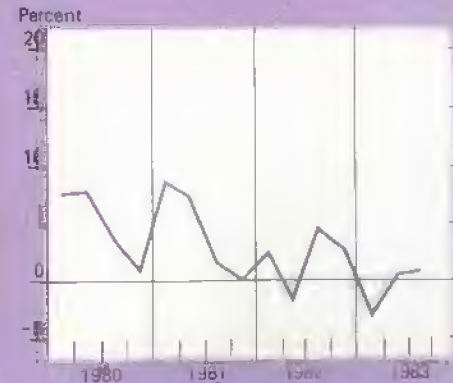
Packaging cost



Rail freight rates



Energy rates



<sup>o</sup> CPI unadjusted.

All series expressed as percentage change from preceding quarter.

## Food Consumption To Fall Marginally Next Year

	1981	1982	1983P	1984F
	Pounds per Person			
<b>Total food</b> . . . . .	<b>1,396</b>	<b>1,385</b>	<b>1,398</b>	<b>1,397</b>
Animal products . . . . .	582	574	584	578
Red meat . . . . .	157	151	155	149
Beef & veal . . . . .	79	79	80	76
Pork . . . . .	65	59	62	60
Other . . . . .	13	13	14	13
Poultry . . . . .	63	64	65	66
Eggs . . . . .	34	33	34	33
Dairy products . . . . .	304	302	305	305
Other . . . . .	24	24	24	25
Crop products . . . . .	814	811	814	819
Cereal & bakery . . . . .	151	150	151	150
Vegetable oils . . . . .	48	49	50	47
Fruit & melons . . . . .	163	158	164	163
Vegetables . . . . .	283	287	280	288
Sugar & sweets . . . . .	135	134	134	135
Other . . . . .	34	35	35	36

p = preliminary, F = forecast.

• **Cereals and bakery products.** Price rises for cereals and bakery products have slowed this year—to about 3 percent—reflecting the current situation for marketing costs. Also, large stocks of food grains have kept the farm value low.

Retail prices will likely rise in 1984 because of stronger economic conditions and higher marketing costs. Farm prices for food grains will also be higher, but these will account for only a small amount of the retail price climb.

• **Nonalcoholic beverages.** Prices for nonalcoholic beverages this year increased about 2 percent, with most of the jump coming from marketing costs. Retail prices for coffee declined slightly, reflecting ample world supplies. Soft drink prices were steady for most of the year, reflecting only slight increases in sugar prices and greater use of the less expensive high fructose corn sweeteners.

Prices will rise moderately in 1984, and most of the increase will again be due to higher marketing costs. World supplies of coffee are expected to continue ample. Soft drink prices will rise, partly because of higher marketing costs and partly because of an increase in sugar price support. Keen competition among bottlers, however, will dampen the increase somewhat.

## FOOD CONSUMPTION OUTLOOK

Per capita consumption of food (retail-weight basis) in 1983 is estimated at 1 percent more than in 1982. However, food consumption in 1984 is expected to fall to 1,397 pounds per person, down 0.1 percent from 1983, primarily the result of decreased meat production.

Consumption of animal products likely increased about 10 pounds per person in 1983. With larger supplies, consumers' use of pork gained the most. Beef and poultry consumption rose modestly, and the use of dairy products also improved because of larger supplies and the free cheese distribution.

In 1984, consumption of animal products is expected to fall 1 percent as a result of the drought-reduced output of red meat. To compensate, consumers will likely use more poultry.

Per capita consumption of crop products rose modestly in 1983, with the largest expansion in fruit and melons. Fruit use rose because of fall 1982's large apple crop and the plentiful orange outturn. On the other hand, fresh vegetable consumption dropped—a result of weather-related reductions in overall supplies earlier in the year and drought-stricken production from home gardens.

Consumption of crop products is forecast at less than a 1-percent rise in 1984. With normal weather, vegetable consumption will likely recover and will account for the increase. However, fruit consumption may drop slightly because of the smaller orange crop expected in California. Consumer use of vegetable oil may also drop because of this year's small soybean crop. [Ralph Parlett (202) 447-8801]

## NOTICE:

### Annual SRS Reports Due Soon

Annual reports from the Crop Reporting Board will start being issued in January. These reports will summarize statistics gathered during 1983 for the various commodity groups and other special series. Below is a listing of release dates for the 1984 annuals.

### January

- 12 Noncitrus Fruits & Nuts
- 13 Crop Production
- 30 Layers & Egg Products

### March

- 15 Livestock Slaughter
- Hatchery Production
- 21 Cold Storage

### April

- 3 Meat Animals: Production, Disposition & Income
- 10 Poultry: Production, Disposition & Income

### May

- 1 Milk: Production, Disposition & Income
- 7 Dairy Products

### June

- 6 Vegetables
- 29 Agricultural Prices

### July

- 24 Farm Production Expenditures, 1983

Copies available by subscription only. For information, contact Jerry Clamper, SRS-Crop Reporting Board, USDA, Room 5809-South Bldg., Washington, D.C. 20250 (202) 447-2130.





## Recent Publications

USDA's Economic Research Service publishes a number of research reports, statistical supplements, handbooks, and other periodicals that may be of interest to you as an *Agricultural Outlook* reader.

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The following reports are available **FOR SALE ONLY** from the Superintendent of Documents, U.S. Government Printing Office, Washington, DC 20402. Order by report title and number. Make checks payable to Superintendent of Documents. Prices subject to change. Bulk discounts available. For faster service or further information call GPO's order desk at (202) 783-3238.

**Agricultural Statistics of Eastern Europe and the Soviet Union, 1960-80.** SB-700. 128 pp. (Price \$4.00).

**A Biomass Energy Production and Use Plan for the United States, 1983-90.** AER-505. 24 pp. (Price \$1.25).

**The Hired Farm Working Force of 1981.** AER-507. 68 pp. (Price \$2.00).

**Scope and Methods of SRS (published by USDA's Statistical Reporting Service)** 152 pp. (Price \$5.00).

**1983 Handbook of Agricultural Charts, AH-619.** 100 pp. (Price \$5.00).

### New Reports—NTIS

The following reports are available **FOR SALE ONLY** from NTIS, Identification Section, 5282 Port Royal Road, Springfield, VA 22161. Order by report title and PB number. Indicate paper copy (PC) or microfiche (MF). For further information call (703) 487-4780.

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## Agriculture in the 1980's

The outlook for the remainder of the 1980's is for modest annual growth of 2 to 3 percent in demand for U.S. farm products—about equal to the expected gains in productivity. Volatility may be present, as years of excess production are interrupted by years of tight supplies. Unfortunately for some producers, not all of the acreage currently being idled appears to be needed.

### The Legacy of the 1970's

The 1970's led many of us to believe there would be a continuation of that decade's strong growth in world demand for U.S. farm products. Trends suggested consumption would grow faster than production, leaving the world increasingly dependent on the United States for food. Our exports could have possibly risen faster than yields, meaning both expanded U.S. acreage and rising commodity prices.

A number of forces during the 1970's led us to these conclusions. Incomes were rising in the developed world, and the value of the dollar was gradually declining over the decade, making our goods even more attractive to foreign buyers. Credit, both public and private, was easily available to Eastern Europe and the middle-income countries, financed in part by huge surpluses of OPEC money flowing to the developed world. This credit directly enhanced demand for U.S. exports by financing food purchases, and indirectly through the economic growth the credit stimulated.

On the supply side, the rapid increases in U.S. and foreign crop production appeared to be slowing. Most of the good land was in production; the easily irrigated land had already been used; energy prices were rising rapidly, so fertilizer and irrigation costs were driven up; and no major technological breakthroughs were imminent. Hence, it seemed that strong demand for U.S. products would continue.

### The Turnaround of the 1980's

During the 1970's it would have been difficult to predict the prolonged global recession that struck in the early 1980's. It's this recession that makes U.S. trade prospects for the next several years less promising.

A number of factors contributed to the world recession. The U.S. recession, deepened by our attempts to control inflation, may have punctured the balloon. In an integrated world economy, a slowdown in a major nation such as the United States has a domino effect, first on our major trading partners, and then on the rest of the world. Slowed growth in the developed world meant sharp decreases in OPEC oil exports, which not only reduced OPEC's ability to import, but also eliminated a major source of credit in the rest of the world.

The weakening global economy, concurrent with a slowdown in credit, left many East European and Latin American countries in an untenable debt position, which discouraged further lending of private or government-backed credit. Countries short of foreign exchange acted to sharply curtail all but essential imports. Therefore, all these logical actions caused the global recession to feed on itself.

The slower rate of U.S. inflation compared with the rest of the world stopped the erosion in the value of the dollar. Our high interest rates, combined with the relative economic and political security of the United States, made the dollar very attractive. For example, on a trade-weighted basis, the real value of the dollar has appreciated nearly 30 percent for importers of U.S. corn and more than 15 percent for buyers of wheat since 1980.

The world agricultural situation is also different than previously projected. We have learned that world production capability is greater than earlier thought. Some of the income and credit from the 1970's were invested in productive capacity here and abroad, and these investments reaped results in the late 1970's and early 1980's. The increased productivity, combined with poor economic conditions, brought about large surpluses in the United States and several other countries.



### Outlook for the Rest of the Decade

For the remainder of the 1980's, demand for U.S. farm products could expand at 2 to 3 percent a year—modest growth, but not enough to bring all of the idled acreage back into production. Also, domestic commodity prices may not be comparable to those provided for in the 1981 farm legislation. Price variability will most likely be present, characterized by years of excess supplies interrupted by years of tight supplies.

U.S. agriculture's productivity could expand up to 2 percent a year. This growth, combined with full use of the 80 million acres of cropland currently idled and the gradual conversion of more acres, could expand output about 40 percent by the early 1990's. However, as previously mentioned, all cropland currently being held out of production probably won't return to cropping.

Prospects for growth in domestic and foreign demand seem weak. Growth in domestic demand has slowed lately because of recession and relatively high unemployment. Also, U.S. per capita consumption of some farm products appears to be approaching the saturation point. For example, changes in meat demand patterns due to increased dietary concerns have slowed expansion in one of the fastest growing food sectors of the 1960's and early 1970's. As a result, even with a return to stronger general economic growth later in the 1980's, domestic demand for farm products could grow only 1.5 percent a year. This growth rate is somewhat less than likely increases in productivity and well below the sector's capacity to expand production if available land was used more fully.

U.S. export volume may increase an average of 3 to 4 percent a year in the 1980's, compared with 8 to 10 percent during the 1970's. The recovery from global recession will be slow and gradual. Creditors will be much more cautious over the next several years, and petroleum sales and prices will likely show more modest growth than in the 1970's.

Growth in world import demand may be only half the rate of the past 15 years. While growth in the demand for food will recover slowly from the low levels so far in the 1980's, food production abroad should pick up as many investments in productive capacity pay off. Also, foreign exchange reserves in many countries are stretched to the breaking point, and several years of recovery will be necessary before any significant expansion in trade is possible.

The U.S. competitive position in this weak world market is also unlikely to improve significantly until later in the decade. With the dollar slated to remain strong as long as the United States continues with high real interest rates, any improvement in the U.S. position will be gradual.

Lastly, price variability will continue during this decade. Foreign and U.S. crop yields seem to be becoming increasingly unpredictable, possibly because of more variable weather and the use of resources that are more sensitive to normal weather fluctuations. Economic conditions abroad have also become considerably less stable, and their impact on world demand is a growing source of concern for an export-oriented U.S. agriculture. Swings in supply and demand as pronounced as the shifts of 1978-80 and 1981-83 could well become commonplace. [John E. Lee, Jr. (202) 447-8104]

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### Upcoming Economic Reports

Title	Summary Released
Ag Supply & Demand	Jan. 16
Ag Supply & Demand	Jan. 24
Inputs	Jan. 25
Oil Crops	Jan. 26
Vegetables	Jan. 30
Wheat	Feb. 2
Livestock & Poultry	Feb. 8
Ag Supply & Demand	Feb. 13
Exports	Feb. 21
Feed	Feb. 22
Cotton	Feb. 27
World Agriculture	Feb. 29
Sugar & Sweeteners	Mar. 7
Tobacco	Mar. 8
Ag Supply & Demand	Mar. 12
Fruit	Mar. 14

Summaries are available on some computer networks on the dates indicated; the full reports are also released electronically 2 to 3 days later. For subscription information, write or call, EMS Information, Rm. 400 GHI Bldg., 500 12th St. SW., Washington, D.C. 20250 (202) 382-9754.

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### Indexes for Agricultural Outlook To Appear Next Issue

Subject and article indexes will appear in the January/February 1984 issue of *Agricultural Outlook*. The indexes will cover all topics from 1980 through 1983, with detailed cross-referencing by subject and a listing of all published articles.

# Statistical Indicators

## Summary Data

### Key statistical indicators of the food and fiber sector

	1982	1983					1984		
	Annual	I	II	III	IV F	Annual F	I F	II F	Annual F
<b>Prices received by farmers (1977=100)</b>									
Livestock and Products	145	145	143	138	137	141	142	147	149
Crops	121	118	127	133	145	130	149	150	143
<b>Prices paid by farmers, (1977=100)</b>									
prod. items	149	151	154	153	153	153	158	163	162
Commodities and services, Int., taxes, and wages	156	157	160	160	161	160	166	169	169
<b>Cash receipts<sup>1</sup> (\$ bil.)*</b>									
Livestock (\$ bil.)	72	72	71	70	66-70	69-71	68-72	69-73	69-73
Crops (\$ bil.)	72	72	70	76	69-73	71-73	70-74	79-83	74-78
<b>Market basket (1967=100)</b>									
Retail cost	266.4	267	270	270	270	269	274	279	280-286
Farm value	248.8	238	244	242	240	241	246	251	250-255
Spread	276.8	284	285	285	288	286	291	295	295-299
Farm value/retail cost (%)	35	33	33	33	33	33	33	33	33
<b>Retail prices (1967=100)</b>									
Food	285.7	289	292	292	294	292	298	302	304-312
At home	279.2	281	283	283	283	283	287	292	291-299
Away-from home	306.5	315	319	321	325	320	328	331	333-342
<b>Agricultural exports (\$ bil.)<sup>2</sup></b>	39.1	9.3	8.5	8.2	11.1	34.8	10.2	9.0	39.0
<b>Agricultural imports (\$ bil.)<sup>2</sup></b>	15.4	4.1	4.3	4.1	4.3	16.4	4.1	4.3	17.0
<b>Livestock and products</b>									
Total livestock and Products (1974=100)	111.7	110.3	115.7	116.2	116.1	114.6	75.7	75.2	76.5
Beef (mil. lb.)	22,366	5,525	5,549	6,012	5,900	22,986	5,650	5,300	22,125
Pork (mil. lb.)	14,121	3,483	3,726	3,644	4,150	15,003	3,750	3,750	14,700
Veal (mil. lb.)	423	103	99	110	115	427	105	90	395
Lamb and mutton (mil. lb.)	356	93	89	94	95	371	88	80	321
Red meats (mil. lb.)	37,266	9,204	9,463	9,860	10,260	38,787	9,593	9,220	37,541
Broilers (mil. lb.)	12,038	3,059	3,277	3,111	2,940	12,387	3,060	3,280	12,700
Turkeys (mil. lb.)	2,458	462	581	755	760	2,558	450	530	2,555
Total meats and poultry (mil. lb.)	51,762	12,725	13,321	13,726	13,960	53,732	13,103	13,030	41,366
Eggs (mil. dz.)	5,798	1,432	1,400	1,390	1,420	5,642	1,390	1,375	5,605
Milk (bil. lb.)	135.8	34.0	36.5	34.8	33.6	138.8	n.a.	n.a.	n.a.
Choice steers, Omaha (\$/cwt.)	64.22	61.52	67.04	60.89	59.60	62.63	62-66	66-70	65-69
Barrows and gilts, 7 markets (\$/cwt.)	55.44	55.00	46.74	46.90	39-41	47-48	42-46	45-49	45-51
Broilers-wholesale, 9-city weighted avg. dressed (cts./lb.)	44.0	43.4	<sup>3</sup> 46.5	<sup>3</sup> 53.9	<sup>3</sup> 52-54	—	48-52	50-54	49-53
Turkeys-wholesale, N.Y., 8-16 lb. hens, dressed (cts./lb.)	60.8	54.9	57.3	60.3	65-67	59-60	57-61	59-63	62-66
Eggs, N.Y. Gr. A large (cts./dz.)	70.1	65.8	69.1	74.4	86-88	73-74	74-78	71-75	74-78
Milk, all at farm (\$/cwt.)	13.60	13.73	13.33	13.33	13.80-13.90	13.55-13.60	n.a.	n.a.	n.a.
<b>Crop prices at the farm<sup>4</sup></b>									
Wheat (\$/bu.)	3.53	3.60	3.68	3.54	—	3.50-3.70	—	—	—
Corn (\$/bu.)	2.65	2.54	3.00	3.27	—	3.40-3.80	—	—	—
Soybeans (\$/bu.)	5.57	5.68	6.01	7.38	—	8.50-9.50	—	—	—
Upland cotton (cts./lb.)	57.6	57.4	60.8	64.7	—	—	—	—	—

<sup>1</sup> Quarterly cash receipts are seasonally adjusted at annual rates. <sup>2</sup> Annual data are based on Oct.-Sept. fiscal years ending with the indicated year. <sup>3</sup> The 9-city price has been discontinued; starting with the second quarter 1983 the broiler price is the new 12-city average. <sup>4</sup> Quarterly prices are simple averages; annual prices are for marketing year beginning in year indicated. F = Forecast. Numbers may not add to totals due to rounding. \*Seasonally adjusted at annual rates.



# Farm Income

## Farm income statistics

	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983 F	1984 F
	\$ Bil.										
<b>Receipts</b>											
Cash receipts:											
Crops <sup>1</sup>	51.1	45.8	49.0	48.6	53.7	63.2	72.7	73.1	74.4	71 to 73	74 to 78
Livestock	41.3	43.1	46.3	47.6	59.2	68.6	67.8	69.2	70.2	69 to 71	69 to 73
Total	92.4	88.9	95.4	96.2	112.9	131.8	140.5	142.3	144.6	141 to 143	145 to 149
Other cash income <sup>2</sup>	1.4	1.8	1.8	3.0	4.3	2.9	2.9	3.9	5.6	10 to 12	8 to 12
Total cash income	93.8	90.7	97.1	99.2	117.2	134.7	143.4	146.2	150.1	152 to 154	155 to 159
Nonmoney income <sup>3</sup>	6.1	6.5	7.3	8.4	9.2	10.7	12.1	13.3	13.9	13 to 15	13 to 15
Realized gross income	99.9	97.2	104.4	107.6	126.4	145.4	155.5	159.4	164.0	166 to 168	169 to 173
Value of inventory chg.	-1.6	3.4	-1.5	1.1	.8	4.9	-5.3	7.6	-1.9	-8 to -10	6 to 10
Total gross income	98.3	100.6	102.9	108.7	127.2	150.4	150.1	167.1	162.2	157 to 159	177 to 161
<b>Expenses</b>											
Cash expenses <sup>4</sup>	59.6	61.7	67.8	72.0	81.0	97.3	105.3	111.5	113.8	109 to 111	119 to 123
Total expenses	71.0	75.0	82.7	88.9	99.5	118.1	128.6	137.0	140.1	135 to 137	145 to 149
<b>Income</b>											
Net cash income	34.2	29.0	29.3	27.3	36.2	37.4	38.1	34.7	36.3	42 to 44	35 to 39
Total net farm income	27.3	25.6	20.1	19.8	27.7	32.3	21.5	30.1	22.1	22 to 24	29 to 34
Deflated total net farm <sup>5</sup>	23.7	20.4	15.2	14.1	18.4	19.7	12.0	15.4	10.7	10 to 12	12 to 15
Off-farm income <sup>6</sup>	28.1	23.9	26.7	26.1	29.7	35.3	37.7	39.9	39.4	40 to 42	41 to 45

F = Forecast. <sup>1</sup> Includes net CCC loans. <sup>2</sup> Income from machine hire and custom work, farm recreational income, and direct government payments. <sup>3</sup> Imputed gross rental value of farm dwellings and value of home consumption. <sup>4</sup> Excludes depreciation of farm capital, perquisites to hired labor, and expenses associated with farm dwellings, and includes net rent to all landlords. <sup>5</sup> Deflated by the GNP implicit price deflator, 1972=100. <sup>6</sup> Reflects changes in farm definition in 1975 and 1977.

## Cash receipts from farming

	1982				1983								
	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept
<b>Farm marketings and CCC loans<sup>1</sup></b>	12,145	14,997	16,174	14,780	14,572	10,640	10,188	9,819	9,150	9,753	10,586	11,575	12,216
Livestock and products	5,951	6,183	5,681	5,678	5,783	5,945	6,182	6,028	5,506	5,821	5,260	5,971	5,876
Meat animals	3,496	3,624	3,276	3,168	3,392	3,804	3,740	3,661	3,008	3,263	2,692	3,419	3,245
Dairy products	1,469	1,519	1,465	1,554	1,563	1,445	1,624	1,590	1,659	1,578	1,570	1,550	1,501
Poultry and eggs	821	816	849	875	726	626	735	685	757	902	809	929	965
Other	165	224	91	81	102	70	83	92	82	78	189	73	165
Crops	6,194	8,814	10,493	9,102	8,769	4,695	4,006	3,791	3,644	3,932	5,326	5,604	6,342
Food grains	1,384	1,159	1,153	774	1,038	582	462	371	377	889	1,754	1,396	867
Feed crops	1,180	1,572	2,430	2,894	3,256	1,522	1,255	986	961	1,149	1,071	1,049	1,251
Cotton (lint and seed)	47	634	1,115	1,161	1,083	540	72	69	144	70	45	230	267
Tobacco	578	332	441	533	449	110	37	29	10	0	14	542	583
Oil-bearing crops	744	2,639	2,680	1,539	1,539	672	704	545	424	422	714	727	1,060
Vegetables and melons	912	959	606	523	454	433	585	711	737	473	646	711	1,000
Fruits and tree nuts	736	836	848	743	424	318	238	314	378	498	590	508	688
Other	613	683	1,220	935	546	518	653	766	613	431	492	441	626
<b>Government payments</b>	56	67	974	444	681	511	148	706	288	243	167	99	163
<b>Total cash receipts<sup>2</sup></b>	12,201	15,064	17,148	15,224	15,253	11,151	10,336	10,525	9,438	9,996	10,753	11,674	12,381

<sup>1</sup> Receipts from loans represent value of loans minus value of redemptions during the month. <sup>2</sup> Cash receipts estimates reported in this issue for 1982 contain revisions due to a more complete accounting for CCC loans repaid, which has the effect of reducing sales.

# Cash receipts<sup>1</sup> from farm marketings, by States, January-September

State	Livestock and Products		Crops <sup>2</sup>		Total <sup>2</sup>	
	1982	1983	1982	1983	1982	1983
	\$Mil.					
<b>North Atlantic</b>						
Maine . . . . .	174.3	178.3	126.9	106.7	301.2	285.0
New Hampshire . . . . .	54.8	57.0	20.5	19.7	75.3	76.7
Vermont . . . . .	274.5	287.7	23.7	24.3	298.2	312.0
Massachusetts . . . . .	99.4	99.3	132.3	121.5	231.7	220.8
Rhode Island . . . . .	10.4	10.2	12.0	11.6	22.4	21.8
Connecticut . . . . .	139.2	141.1	94.6	83.2	233.8	224.3
New York . . . . .	1,396.9	1,432.5	519.4	522.8	1,916.3	1,955.3
New Jersey . . . . .	95.1	95.1	297.2	299.8	392.3	394.9
Pennsylvania . . . . .	1,629.1	1,650.7	570.2	577.1	2,199.4	2,227.8
<b>North Central</b>						
Ohio . . . . .	1,154.2	1,165.8	1,285.4	1,527.3	2,439.6	2,693.1
Indiana . . . . .	1,330.2	1,296.3	1,457.1	1,668.6	2,787.4	2,964.9
Illinois . . . . .	1,771.8	1,743.1	3,683.9	3,274.2	5,455.7	5,017.3
Michigan . . . . .	873.0	884.9	1,007.1	1,098.2	1,880.0	1,983.2
Wisconsin . . . . .	3,107.6	2,972.3	695.9	769.2	3,803.6	3,741.6
Minnesota . . . . .	2,655.9	2,642.8	1,844.8	2,145.3	4,500.7	4,788.1
Iowa . . . . .	4,507.0	4,482.2	2,910.3	3,309.6	7,417.3	7,791.8
Missouri . . . . .	1,513.9	1,497.3	963.1	815.3	2,476.9	2,312.7
North Dakota . . . . .	458.5	480.0	1,315.0	1,487.6	1,773.5	1,967.6
South Dakota . . . . .	1,253.1	1,246.8	630.8	732.6	1,883.8	1,979.3
Nebraska . . . . .	3,208.0	3,082.7	1,744.4	1,631.4	4,952.4	4,714.1
Kansas . . . . .	2,668.5	2,652.5	1,592.3	1,507.9	4,260.8	4,160.4
<b>Southern</b>						
Delaware . . . . .	223.2	233.6	68.6	66.8	291.8	300.4
Maryland . . . . .	542.5	567.0	227.3	238.2	769.8	805.2
Virginia . . . . .	731.3	740.8	368.3	346.1	1,099.6	1,086.9
West Virginia . . . . .	127.2	132.3	33.7	33.8	160.9	166.1
North Carolina . . . . .	1,196.8	1,208.8	1,673.6	1,385.5	2,870.4	2,594.3
South Carolina . . . . .	298.9	303.3	520.5	471.0	819.4	774.3
Georgia . . . . .	1,261.2	1,288.8	878.8	857.1	2,140.0	2,145.9
Florida . . . . .	711.5	734.1	2,454.6	2,570.4	3,166.2	3,304.5
Kentucky . . . . .	883.9	882.0	721.1	719.7	1,605.0	1,601.7
Tennessee . . . . .	695.8	687.4	482.1	542.5	1,178.0	1,229.9
Alabama . . . . .	948.9	958.8	494.3	460.0	1,443.1	1,418.8
Mississippi . . . . .	715.0	721.4	491.9	439.5	1,206.9	1,160.9
Arkansas . . . . .	1,230.9	1,178.0	813.9	657.3	2,044.8	1,835.3
Louisiana . . . . .	376.9	378.3	527.0	438.5	903.9	816.8
Oklahoma . . . . .	1,615.4	1,561.4	718.4	706.4	2,333.8	2,267.9
Texas . . . . .	4,039.9	4,031.2	3,045.8	3,445.7	7,085.7	7,476.9
<b>Western</b>						
Montana . . . . .	413.1	432.2	603.6	684.0	1,016.7	1,116.2
Idaho . . . . .	612.9	615.9	748.6	592.6	1,361.5	1,208.5
Wyoming . . . . .	258.9	254.5	58.8	60.4	317.6	314.9
Colorado . . . . .	1,507.9	1,499.4	686.1	511.3	2,194.0	2,010.8
New Mexico . . . . .	425.9	448.1	189.7	202.1	615.5	650.2
Arizona . . . . .	530.2	518.6	623.2	664.7	1,153.4	1,183.3
Utah . . . . .	302.0	300.0	88.6	91.9	390.5	392.0
Nevada . . . . .	116.4	119.4	48.0	50.3	164.4	169.7
Washington . . . . .	746.6	760.0	1,421.3	1,384.9	2,167.8	2,144.8
Oregon . . . . .	472.4	472.6	765.1	697.2	1,237.5	1,169.8
California . . . . .	3,233.3	3,182.3	5,956.4	5,622.8	9,189.7	8,805.1
Alaska . . . . .	4.9	4.9	5.2	5.2	10.1	10.1
Hawaii . . . . .	57.9	58.3	302.6	448.0	360.5	506.4
<b>United States</b>	<b>52,656.9</b>	<b>52,372.3</b>	<b>45,943.8</b>	<b>46,127.8</b>	<b>98,600.7</b>	<b>98,500.1</b>

<sup>1</sup> Estimates as of the first of current month. <sup>2</sup> Sales of farm products include receipts from loans reported minus value of redemptions during the period. Rounded data may not add.



# Farm marketing indexes (physical volume)

	Annual			1982	1983					
	1980	1981	1982 p	Sept	Apr	May	June	July	Aug	Sept
1977=100										
All commodities . . . . .	111	111	120	116	107	115	113	118	110	111
Livestock and products . . . .	101	103	104	103	106	102	111	106	109	108
Crop . . . . .	120	119	136	128	108	133	114	131	111	114

p = preliminary. Volume of marketing indexes reported in this issue for 1982 contains revisions due to a more complete accounting for CCC loans repaid, which has the effect of reducing sales.

## Farm production<sup>1</sup>

Item	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983 <sup>2</sup>
1977=100										
Farm output . . . . .	88	95	97	100	104	111	103	118	117	99
All livestock products <sup>3</sup> . . . .	100	95	99	100	101	104	108	109	107	110
Meat animals . . . . .	104	97	100	100	100	103	107	106	101	106
Dairy products . . . . .	94	94	98	100	99	101	105	108	110	112
Poultry and eggs . . . . .	94	92	98	100	106	114	115	119	119	120
All crops <sup>4</sup> . . . . .	84	93	92	100	102	113	101	116	119	87
Feed grains . . . . .	74	91	96	100	108	116	97	121	124	66
Hay and forage . . . . .	96	100	94	100	106	108	98	106	110	104
Food grains . . . . .	91	108	107	100	93	108	121	144	140	116
Sugar crops . . . . .	89	114	112	100	101	94	97	107	97	98
Cotton . . . . .	82	58	74	100	76	102	79	109	83	52
Tobacco . . . . .	104	114	112	100	106	80	93	108	104	72
Oil crops . . . . .	71	86	74	100	105	129	99	114	126	86
Cropland used for crops . . . .	96	97	98	100	97	100	102	103	103	88
Crop production per acre . . . .	88	96	94	100	105	113	99	113	116	99

<sup>1</sup> For historical data and indexes, see *Changes in Farm Production and Efficiency* USDA Statistical Bulletin 657. <sup>2</sup> Preliminary indexes for 1983 based on November 1983 Crop Production report and other releases of the *Crop Reporting Board*, SRS. <sup>3</sup> Gross livestock production includes minor livestock products not included in the separate groups shown. It cannot be added to gross crop production to compute farm output. <sup>4</sup> Gross crop production includes some miscellaneous crops not in the separate groups shown. It cannot be added to gross livestock production to compute farm output.

# Farm Prices: Received and Paid

Indexes of prices received and paid by farmers, U.S. average

	Annual			1982	1983					
	1980	1981	1982	Nov	June	July	Aug	Sept	Oct	Nov p
1977=100										
<b>Prices Received</b>										
All farm products . . . . .	134	139	133	128	134	131	139	136	134	135
All crops . . . . .	125	134	121	117	126	125	139	135	134	136
Food grains . . . . .	165	166	146	143	144	138	149	151	150	147
Feed grains and hay . . . . .	132	141	120	110	146	147	155	155	151	156
Feed grains . . . . .	135	145	120	108	148	151	160	160	153	159
Cotton . . . . .	114	111	91	99	101	107	110	104	106	110
Tobacco . . . . .	125	140	153	157	157	157	151	162	157	152
Oil-bearing crops . . . . .	102	110	88	83	90	95	115	124	120	121
Fruit . . . . .	124	130	175	180	121	107	162	106	117	120
Fresh market <sup>1</sup> . . . . .	128	133	167	194	121	103	171	103	116	119
Commercial vegetables . . . . .	113	136	127	126	139	116	119	125	135	136
Fresh market . . . . .	110	135	120	120	139	109	113	121	134	135
Potatoes <sup>2</sup> . . . . .	129	177	125	93	135	160	170	145	120	130
Livestock and products . . . . .	144	143	145	139	141	137	139	137	135	135
Meat animals . . . . .	156	150	155	146	150	143	144	138	134	131
Dairy products . . . . .	135	142	140	143	136	136	137	139	142	143
Poultry and eggs . . . . .	112	116	110	108	113	115	122	129	124	137
<b>Prices paid</b>										
Commodities and services . . . . .										
Interest, taxes, and wage rates . . . . .	138	150	156	156	160	160	160	161	161	162
Production items . . . . .	138	148	149	148	154	152	153	154	153	154
Feed . . . . .	123	134	122	116	132	132	138	142	140	144
Feeder livestock . . . . .	177	164	164	161	162	154	151	147	146	152
Seed . . . . .	118	138	141	141	141	141	141	142	142	142
Fertilizer . . . . .	134	144	144	141	138	138	138	138	134	134
Agricultural chemicals . . . . .	102	111	119	121	126	126	126	126	126	126
Fuels & energy . . . . .	188	213	211	212	207	208	209	206	206	203
Farm & motor supplies . . . . .	134	147	153	154	153	151	151	151	148	149
Autos & trucks . . . . .	123	143	159	165	170	170	170	171	172	177
Tractors & self-propelled machinery . . . . .	136	152	165	168	176	176	176	177	177	177
Other machinery . . . . .	132	146	160	165	173	173	173	174	174	174
Building & fencing . . . . .	128	134	135	136	139	139	139	139	138	138
Farm services & cash rent . . . . .	125	137	143	143	148	148	148	148	148	148
Interest payable per acre on farm real estate debt . . . . .	174	211	233	233	236	236	236	236	236	236
Taxes payable per acre on farm real estate . . . . .	115	123	131	131	140	140	140	140	140	140
Wage rates (seasonally adjusted) . . . . .	126	137	141	143	145	147	147	147	147	147
Production items, interest, taxes, and wage rates . . . . .	139	151	154	154	159	158	159	159	158	159
Prices received (1910-14=100) . . . . .	614	633	609	587	611	598	634	623	614	619
Prices paid, etc. (Parity index) (1910-14=100) . . . . .	948	1,035	1,071	1,075	1,102	1,100	1,104	1,107	1,106	1,112
Parity ratio <sup>3</sup> . . . . .	65	61	57	55	55	54	57	56	56	56

<sup>1</sup> Fresh market for noncitrus and fresh market and processing for citrus. <sup>2</sup> Includes sweet potatoes and dry, edible beans. <sup>3</sup> Ratio of index of prices received to index of prices paid, taxes, and wage rates. (1910-14=100). p = Preliminary.



# Prices received by farmers, U.S. average

	Annual*			1982	1983					
	1980	1981	1982	Nov	June	July	Aug	Sept	Oct	Nov p
<b>Crops</b>										
All wheat (\$/bu.)	3.88	3.88	3.52	3.48	3.51	3.34	3.61	3.66	3.81	3.52
Rice, rough (\$/cwt.)	11.07	11.94	8.33	7.78	7.88	7.95	8.40	8.48	8.80	8.87
Corn (\$/bu.)	2.70	2.92	2.37	2.13	3.04	3.13	3.35	3.32	3.15	3.30
Sorghum (\$/cwt.)	4.67	4.72	4.00	3.78	6.06	5.03	5.29	5.26	5.02	5.09
All hay, baled (\$/ton)	67.01	67.67	69.18	68.90	75.90	72.00	72.20	74.20	78.50	76.40
Soybeans (\$/bu.)	6.75	6.92	5.78	5.34	5.91	6.28	7.57	8.28	7.96	7.97
Cotton, Upland (cts./lb.)	69.0	67.1	55.3	59.9	61.1	64.8	66.3	63.1	64.1	66.7
Potatoes (\$/cwt.)	4.82	6.95	5.10	3.72	5.72	6.91	7.17	5.77	4.50	4.99
Dry edible beans (\$/cwt.)	24.83	28.59	16.82	14.20	15.60	19.30	22.30	24.00	23.90	23.90
Apples for fresh use (cts./lb.)	18.2	13.2	15.4	14.4	10.5	11.2	14.4	18.0	16.5	15.3
Pears for fresh use (\$/ton)	313	264	235	298	324	-	258	231	255	309
Oranges, all uses (\$/box) <sup>1</sup>	3.28	3.78	7.44	5.75	4.09	2.02	6.07	1.49	.94	2.10
Grapefruit, all uses (\$/box) <sup>1</sup>	2.74	3.68	2.20	1.91	1.33	1.75	3.35	1.74	4.07	1.75
<b>Livestock</b>										
Beef cattle (\$/cwt.)	62.48	58.51	56.97	52.60	58.30	54.80	54.20	52.30	51.70	51.40
Calves (\$/cwt.)	77.48	64.46	60.18	58.10	64.30	60.30	57.40	56.10	57.10	59.20
Hogs (\$/cwt.)	38.00	43.90	52.30	52.50	43.90	43.40	46.70	44.10	40.40	36.90
Lambs (\$/cwt.)	63.53	55.38	54.55	47.70	54.20	49.80	48.30	47.80	50.90	53.50
All milk, sold to plants (\$/cwt.)	13.05	13.76	13.59	13.90	13.20	13.20	13.30	13.50	13.80	13.90
Milk, manuf. grade (\$/cwt.)	12.05	12.73	12.66	13.00	12.40	12.30	12.20	12.50	12.80	12.90
Broilers (cts./lb.)	27.7	28.5	26.9	24.8	28.3	30.7	31.8	33.8	29.3	33.0
Eggs (cts./doz.) <sup>2</sup>	56.3	63.1	59.5	57.4	58.8	57.5	63.3	65.4	68.5	75.8
Turkeys (cts./lb.)	40.0	38.5	37.5	42.9	36.2	34.0	34.9	39.1	39.2	39.9
Wool (cts./lb.) <sup>3</sup>	88.0	91.1	68.0	54.7	70.0	71.4	62.3	61.6	75.6	70.5

<sup>1</sup> Equivalent on-tree returns. <sup>2</sup> Average of all eggs sold by producers including hatching eggs and eggs sold at retail. <sup>3</sup> Average local market price, excluding incentive payments. \*Calendar Year averages. p = preliminary.

## Producer and Consumer Prices

### Consumer Price Index for all urban consumers, U.S. average (not seasonally adjusted)

	Annual	1982								
	1982	Oct	Mar	Apr	May	June	July	Aug	Sept	Oct
1967=100										
Consumer price index, all items	289.1	294.1	293.4	295.5	297.1	298.1	299.3	300.3	301.8	302.6
Consumer price index, less food	288.4	294.0	292.4	294.7	296.5	297.8	299.3	300.5	302.3	303.2
All food	285.7	287.0	290.5	291.9	292.4	292.0	292.0	292.2	292.6	292.9
Food away from home	306.5	310.7	316.5	318.0	318.6	319.3	319.8	321.0	322.2	323.9
Food at home	279.2	279.4	281.9	283.4	283.8	283.0	282.8	282.5	282.5	282.3
Meats <sup>1</sup>	270.3	274.9	272.8	273.3	272.7	270.2	267.8	264.2	262.6	260.4
Beef and veal	276.5	272.2	272.8	279.4	281.3	278.6	275.8	270.7	268.0	266.2
Pork	258.1	277.9	271.1	262.1	257.3	254.1	251.2	249.6	250.2	246.4
Poultry	195.1	195.4	193.7	191.0	192.0	193.6	198.1	200.5	204.4	199.6
Fish	370.6	367.1	380.1	379.4	372.6	371.2	368.9	372.7	372.8	374.1
Eggs	178.7	175.8	175.0	174.9	181.8	173.8	177.9	183.7	193.3	200.1
Dairy products <sup>2</sup>	247.0	247.1	249.6	250.1	250.3	249.8	249.8	250.2	250.2	250.1
Fats and oils <sup>3</sup>	259.6	258.4	258.4	258.6	258.3	258.3	259.0	258.1	264.8	271.1
Fruits and vegetables	291.4	280.7	286.9	294.9	298.2	298.2	298.7	299.4	297.6	296.7
Fresh	298.6	277.4	288.6	304.3	311.0	310.9	310.6	310.7	306.6	304.9
Processed	286.0	286.8	287.6	287.1	286.7	286.9	288.2	289.5	290.2	290.3
Cereals and bakery products	283.4	285.0	289.8	291.1	291.7	292.4	293.7	294.0	293.7	294.0
Sugar and sweets	367.5	370.6	372.8	373.2	373.1	374.5	376.1	375.8	376.4	375.5
Beverages, nonalcoholic	424.2	427.5	432.7	431.8	431.1	431.0	428.7	430.7	431.2	436.4
Apparel commodities less footwear	177.0	180.9	178.9	179.7	180.2	179.7	179.3	181.9	185.3	185.4
Footwear	205.5	206.8	206.6	207.5	208.0	206.8	203.8	205.7	208.0	208.6
Tobacco products	243.5	257.3	283.3	284.9	285.3	285.9	294.6	297.7	298.0	299.0
Beverages, alcoholic	208.5	210.6	215.1	216.1	216.6	217.0	217.2	217.1	218.4	218.9

<sup>1</sup> Beef, veal, lamb, pork, and processed meat. <sup>2</sup> Includes butter. <sup>3</sup> Excludes butter.

Producer price indexes, U.S. average (not seasonally adjusted)

	Annual			1982		1983				
	1980	1981	1982 p	Oct	May	June	July	Aug	Sept	Oct
	1967=100									
<b>Finished goods<sup>1</sup></b> . . . . .	247.0	269.8	280.6	284.1	284.2	285.0	285.7	286.2	285.1	287.9
Consumer foods . . . . .	239.5	253.6	259.3	257.7	262.6	261.2	260.8	261.0	263.3	264.3
Fresh fruit . . . . .	237.6	228.9	236.4	224.5	231.9	238.7	265.0	269.5	262.6	297.6
Fresh and dried vegetables . . . . .	219.0	278.0	246.5	199.7	261.2	263.6	230.7	248.4	264.4	293.0
Eggs . . . . .	171.0	187.1	178.7	177.9	185.1	169.3	177.2	189.5	200.1	n.a.
Bakery products . . . . .	247.8	268.2	275.5	276.1	284.6	284.3	286.2	286.7	287.0	290.2
Meats . . . . .	235.9	239.0	250.6	247.6	246.0	242.1	236.5	232.4	229.1	224.6
Beef and veal . . . . .	260.2	246.8	245.1	228.2	253.5	248.6	240.5	233.5	226.6	225.3
Pork . . . . .	196.7	218.1	251.0	265.2	227.7	224.2	222.0	222.3	221.6	211.3
Poultry . . . . .	193.3	193.3	178.6	177.0	173.0	178.8	186.1	188.6	198.9	190.5
Fish . . . . .	370.9	377.8	422.6	444.5	474.5	416.8	434.0	431.9	440.1	438.6
Dairy products . . . . .	230.6	245.6	248.9	250.0	250.9	250.4	250.3	250.4	250.5	251.0
Processed fruits and vegetables . . . . .	228.7	261.2	274.5	273.7	275.0	276.8	277.0	278.2	278.1	280.0
Shortening and cooking oils . . . . .	233.2	238.0	234.8	232.0	236.4	236.6	239.7	250.8	305.0	304.7
Consumer finished goods less foods . . . . .	250.8	276.5	287.8	293.3	289.3	291.4	292.7	293.2	291.3	293.8
Beverages, alcoholic . . . . .	175.8	189.5	197.8	199.2	205.2	206.9	206.3	206.4	206.7	206.7
Soft drinks . . . . .	261.0	305.1	319.0	321.6	327.3	324.5	323.9	325.0	327.1	329.0
Apparel . . . . .	172.4	186.0	194.4	195.7	195.1	196.6	197.1	197.3	197.4	197.3
Footwear . . . . .	233.1	240.9	245.0	248.0	248.7	249.0	249.9	250.1	250.9	251.2
Tobacco products . . . . .	245.7	268.3	323.2	366.0	353.9	352.2	373.5	373.3	376.5	376.7
<b>Intermediate materials<sup>2</sup></b> . . . . .	280.3	306.0	310.4	309.9	309.7	311.3	313.0	314.4	315.7	316.0
Materials for food manufacturing . . . . .	264.4	260.4	255.1	254.2	257.0	257.0	257.3	260.8	269.3	264.0
Flour . . . . .	187.6	191.9	183.4	178.6	188.2	189.7	189.3	189.0	189.7	187.5
Refined sugar <sup>3</sup> . . . . .	213.1	171.8	161.3	167.4	171.2	172.8	173.8	173.0	174.7	174.5
Crude vegetable oils . . . . .	202.8	185.4	160.1	162.1	170.8	171.6	177.5	222.9	289.6	243.9
<b>Crude materials<sup>4</sup></b> . . . . .	304.6	329.0	319.5	312.0	325.7	323.3	320.6	326.9	328.3	324.5
Foodstuffs and feedstuffs . . . . .	259.2	257.4	247.8	236.3	256.5	252.1	248.6	256.6	257.4	253.9
Fruits and vegetables <sup>5</sup> . . . . .	238.6	267.3	253.7	223.0	259.5	263.9	258.0	269.9	275.5	307.6
Grains . . . . .	239.0	248.4	210.9	183.2	242.2	241.5	236.7	251.8	258.0	253.7
Livestock . . . . .	252.7	248.0	257.8	248.5	258.0	251.7	240.7	242.2	231.5	229.4
Poultry, live . . . . .	202.1	201.2	191.9	177.1	186.9	199.3	214.5	221.4	242.2	208.5
Fibers, plant and animal . . . . .	271.1	242.0	202.9	198.1	223.8	229.7	230.4	240.7	238.7	234.5
Milk . . . . .	271.2	287.4	282.5	285.0	279.8	278.6	278.7	281.7	284.4	284.1
Oilseeds . . . . .	249.2	277.6	214.5	193.3	223.6	213.8	226.4	267.3	305.7	292.8
Coffee, green . . . . .	430.3	330.1	311.5	304.8	298.8	298.8	298.8	301.3	301.3	301.3
Tobacco, leaf . . . . .	222.2	246.9	269.9	277.5	275.9	275.0	275.0	n.a.	283.8	275.0
Sugar, raw cane . . . . .	413.0	272.7	278.5	292.2	323.2	323.0	314.9	321.4	321.4	314.9
<b>All commodities</b> . . . . .	268.8	293.4	299.3	299.6	301.5	302.4	303.2	305.1	305.3	306.3
<b>Industrial commodities</b> . . . . .	274.8	304.1	312.3	314.3	313.6	315.3	316.6	317.8	317.2	318.7
<b>All foods<sup>6</sup></b> . . . . .	244.5	251.8	254.4	252.8	258.2	256.5	256.4	257.5	261.0	261.1
Farm products and processed foods and feeds . . . . .	244.7	251.5	248.9	243.8	254.7	252.5	251.6	255.7	259.2	257.9
Farm products . . . . .	249.4	254.9	242.4	299.2	250.4	247.4	244.3	253.5	256.3	255.2
Processed foods and feeds . . . . .	241.2	248.7	251.5	250.8	256.1	254.3	254.6	255.8	259.7	258.3
Cereal and bakery products . . . . .	236.0	255.5	253.8	253.0	259.1	260.3	261.9	262.6	263.2	264.6
Sugar and confectionery . . . . .	322.5	275.9	269.7	276.3	289.9	298.0	298.4	298.9	300.1	297.7
Beverages . . . . .	233.0	248.0	256.9	257.9	263.6	263.0	263.0	263.4	264.5	265.1

<sup>1</sup> Commodities ready for sale to ultimate consumer. <sup>2</sup> Commodities requiring further processing to become finished goods. <sup>3</sup> All types and sizes of refined sugar. <sup>4</sup> Products entering market for the first time which have not been manufactured at that point. <sup>5</sup> Fresh and dried. <sup>6</sup> Includes all raw, intermediate, and processed foods (excludes soft drinks, alcoholic beverages, and manufactured animal feeds). n.a. = not available.

Note: Annual historical data on consumer and producer food price indexes may be found in *Food Consumption, Prices and Expenditures*, Statistical Bulletin 694, ERS, USDA.



# Farm-Retail Price Spreads

## Market basket of farm foods

	Annual			1982		1983				
	1980	1981	1982 p	Oct	May	June	July	Aug	Sept	Oct
<b>Market basket<sup>1</sup>:</b>										
Retail cost (1967=100) . . . . .	238.8	257.1	266.4	266.6	270.6	269.6	269.6	269.2	269.2	268.5
Farm value (1967=100) . . . . .	239.8	246.3	248.8	242.0	246.0	244.0	241.2	241.1	244.7	241.2
Farm-retail spread (1967=100) . . .	238.3	263.4	276.8	281.0	285.0	286.2	286.3	285.6	283.6	284.6
Farm value/retail cost (%) . . . . .	37.2	35.4	34.6	33.7	33.7	33.1	33.1	33.2	33.6	33.3
<b>Meat Products:</b>										
Retail cost (1967=100) . . . . .	248.8	257.8	270.3	274.9	272.7	270.2	267.8	264.2	262.6	260.4
Farm value (1967=100) . . . . .	234.0	235.5	251.3	246.7	249.2	245.2	235.2	230.9	223.9	221.2
Farm retail spread (1967=100) . . .	266.1	284.0	292.5	308.0	300.3	299.5	306.0	303.2	307.9	306.3
Farm value/retail cost (%) . . . . .	50.7	49.3	50.2	48.4	49.3	48.9	47.4	47.2	46.0	45.8
<b>Dairy Products:</b>										
Retail cost (1967=100) . . . . .	227.4	243.6	247.0	247.1	250.3	249.6	249.8	250.2	250.2	250.1
Farm value (1967=100) . . . . .	251.1	265.9	261.8	265.0	258.9	258.1	261.6	262.0	263.8	247.9
Farm-retail spread (1967=100) . . .	206.6	224.1	234.0	231.4	241.4	242.5	239.4	239.9	239.5	238.5
Farm value/retail cost (%) . . . . .	51.6	51.0	49.6	50.4	48.4	48.3	49.0	49.0	49.0	49.2
<b>Poultry:</b>										
Retail cost (1967=100) . . . . .	190.8	198.6	194.9	195.4	192.0	193.6	198.1	200.5	204.4	199.6
Farm value (1967=100) . . . . .	211.9	210.2	200.5	202.4	193.7	208.2	218.5	225.6	242.9	218.1
Farm retail spread (1967=100) . . .	170.3	187.4	189.5	188.6	190.4	179.4	178.4	176.2	167.1	181.7
Farm value/retail cost (%) . . . . .	54.6	52.0	50.6	51.0	49.6	52.9	54.2	55.3	54.4	53.7
<b>Eggs:</b>										
Retail cost (1967=100) . . . . .	169.7	183.8	178.7	175.8	181.8	173.8	177.9	183.7	193.3	200.1
Farm value (1967=100) . . . . .	184.3	206.5	189.5	189.2	198.3	191.0	184.0	205.6	216.1	228.6
Farm-retail spread (1967=100) . . .	148.6	150.9	163.2	156.4	157.9	148.9	169.0	152.1	160.4	158.9
Farm value/retail cost (%) . . . . .	64.2	66.4	62.7	63.6	64.5	65.0	61.1	66.2	66.1	67.5
<b>Cereal and bakery products:</b>										
Retail cost (1967=100) . . . . .	246.4	271.1	283.4	285.0	291.7	292.4	293.7	294.0	293.7	294.0
Farm value (1967=100) . . . . .	221.4	217.5	192.5	191.1	209.4	201.9	197.1	270.0	209.7	136.6
Farm-retail spread (1967=100) . . .	251.6	282.2	301.2	304.4	308.7	311.1	313.7	312.0	311.1	312.5
Farm value/retail cost (%) . . . . .	15.4	13.8	12.0	11.5	12.3	11.8	11.5	12.1	12.2	11.9
<b>Fresh fruits:</b>										
Retail cost (1967=100) . . . . .	271.8	286.1	323.2	336.1	303.2	313.9	331.5	339.8	327.6	314.1
Farm value (1967=100) . . . . .	245.0	251.0	327.1	270.9	188.0	199.4	236.4	266.8	264.0	250.1
Farm-retail spread (1967=100) . . .	283.8	301.8	321.4	365.4	354.9	365.3	374.2	372.6	356.2	342.8
Farm value/retail cost (%) . . . . .	27.9	27.2	31.4	25.0	19.2	19.7	22.1	24.3	25.0	24.7
<b>Fresh vegetables:</b>										
Retail costs (1967=100) . . . . .	242.2	267.4	288.9	240.2	320.6	311.3	295.8	293.8	297.2	305.5
Farm value (1967=100) . . . . .	216.1	282.4	275.3	213.5	338.2	313.6	287.3	305.4	303.3	302.1
Farm-retail spread (1967=100) . . .	254.5	289.7	295.2	252.7	312.6	310.2	299.7	288.4	294.4	298.7
Farm value/retail cost (%) . . . . .	28.5	31.4	30.5	28.4	33.7	32.2	31.1	33.2	32.6	33.5
<b>Processed fruits and vegetables:</b>										
Retail cost (1967=100) . . . . .	242.5	271.5	286.2	286.6	286.7	286.9	288.2	289.5	290.2	290.3
Farm value (1967=100) . . . . .	243.5	290.6	272.7	259.2	250.0	250.3	253.8	257.5	256.5	247.4
Farm-retail spread (1967=100) . . .	242.2	267.3	288.9	292.5	294.6	295.0	295.8	296.6	297.7	299.8
Farm value/retail costs (%) . . . . .	18.2	19.4	17.3	16.5	15.8	16.0	16.0	16.1	16.0	15.4
<b>Fats and oils:</b>										
Retail cost (1967=100) . . . . .	241.2	267.1	259.9	254.8	258.3	258.3	259.0	258.1	264.8	271.1
Farm value (1967=100) . . . . .	250.3	262.4	207.8	189.7	218.1	222.9	237.8	282.8	347.5	317.3
Farm-retail spread (1967=100) . . .	237.7	268.9	279.9	284.8	273.8	272.0	267.2	248.8	236.8	253.3
Farm value/retail cost (%) . . . . .	28.8	27.3	22.2	20.4	23.4	24.0	25.5	32.4	35.4	32.5

<sup>1</sup> Retail costs are based on indexes of retail prices for domestically produced farm foods from the CPI-U published monthly by the Bureau of Labor Statistics. The farm value is the payment to farmers for quantity of farm product equivalent to retail unit, less allowance for byproduct. Farm values are based on prices at first point of sale and may include marketing charges such as grading and packing for some commodities. The farm-retail spread, the difference between the retail price and the farm value, represents charges for assembling, processing, transporting, and distributing these foods.

Note. Annual historical data on farm-retail price spreads may be found in *Food Consumption, Prices and Expenditures*, Statistical Bulletin 694, ERS, USDA.

## Farm-retail price spreads

	Annual			1982	1983					
	1980	1981	1982	Oct	May	June	July <sup>a</sup>	Aug	Sept	Oct
<b>Beef, Choice:</b>										
Retail price <sup>1</sup> (cts./lb.) . . . . .	237.6	238.7	242.5	238.7	246.7	244.1	242.0	238.6	234.7	231.8
Net carcass value <sup>2</sup> (cts.) . . . . .	155.4	149.3	150.7	139.0	155.9	152.0	145.5	140.4	136.1	135.8
Net farm value <sup>3</sup> (cts.) . . . . .	145.0	138.5	140.5	128.7	147.8	143.3	135.7	130.5	125.3	127.0
Farm-retail spread (cts.) . . . . .	92.6	100.2	102.0	110.0	98.9	100.8	106.3	108.1	109.4	104.8
Carcass-retail spread <sup>4</sup> (cts.) . . . . .	82.2	89.4	91.8	99.7	90.8	92.1	96.5	98.2	98.6	96.0
Farm-carcass spread <sup>5</sup> (cts.) . . . . .	10.4	10.8	10.2	10.3	8.1	8.7	9.8	9.9	10.8	8.8
Farm value/retail price (%) . . . . .	81	58	58	54	60	59	56	55	53	55
<b>Pork:</b>										
Retail price <sup>1</sup> (cts./lb.) . . . . .	139.4	152.4	175.4	190.9	171.1	168.2	166.6	165.7	163.9	162.3
Wholesale value <sup>2</sup> (cts.) . . . . .	98.0	106.7	121.8	127.8	106.0	105.8	104.2	109.1	103.4	99.8
Net farm value <sup>3</sup> (cts.) . . . . .	63.2	70.3	88.0	90.3	75.2	73.1	73.2	78.4	72.4	66.4
Farm-retail spread (cts.) . . . . .	67.2	82.1	87.4	100.6	95.9	95.1	93.4	87.3	91.5	95.9
Wholesale-retail spread <sup>4</sup> (cts.) . . . . .	41.4	45.7	53.6	63.1	65.1	62.4	62.4	56.6	60.5	62.5
Farm-wholesale spread <sup>5</sup> (cts.) . . . . .	34.8	38.4	33.8	37.5	30.8	32.7	31.0	30.7	31.0	33.4
Farm value/retail price (%) . . . . .	45	46	50	47	44	43	44	47	44	41

<sup>1</sup> Estimated weighted average price of retail cuts from pork and yield grade 3 beef carcasses. Retail prices from BLS. <sup>2</sup> Value of carcass quantity equivalent to 1 lb. of retail cuts-beef adjusted for value of fat and bone byproducts. <sup>3</sup> Market value to producer for quantity of live animal equivalent to 1 lb. retail cuts minus value of byproducts. <sup>4</sup> Represents charges for retailing and other marketing services such as fabricating, wholesaling, and in-city transportation. <sup>5</sup> Represents charges made for livestock marketing, processing and transportation to city where consumed.

## Transportation Data

### Rail rates, grain, and fruit and vegetable shipments

	Annual			1982	1983					
	1980	1981	1982 <sup>1</sup>	Oct	May	June	July	Aug	Sept	Oct
<b>Rail freight rate index<sup>1</sup></b>										
All products (1969=100) . . . . .	284.5	327.6	351.4	357.9	355.4	355.4	355.4p	355.4p	355.5p	357.1p
Farm products (1969=100) . . . . .	275.6	315.0	337.2	335.7	342.0	342.0	342.3p	342.3p	342.3p	343.8p
Grain (Dec. 1978=100) . . . . .	127.9	148.1	159.5	158.7	160.0	160.0	160.0p	160.2p	160.0p	160.5p
Food products (1969=100) . . . . .	283.1	329.4	353.3	353.1	356.4	356.4	356.4p	356.4p	356.4p	357.2p
Rail carloadings of grain (thou. cars) <sup>2</sup> . . . . .	30.1	26.3	24.4	23.6	20.8	22.1	27.9	27.5	29.7	31.4
Barge shipments of grain (mil. bu.) <sup>3</sup> . . . . .	36.7	38.2	41.9	47.5	38.6	38.0	43.3	42.0	37.0	50.5
<b>Fresh fruit and vegetable shipments</b>										
Piggy back (thousand cwt.) <sup>3,4</sup> . . . . .	124	247	384	446	693	681	574	518	571	437
Rail (thou. cwt.) <sup>3,4</sup> . . . . .	1,218	711	688	407	792	1,206	764	501	675	626
Truck (thou. cwt.) <sup>3,4</sup> . . . . .	7,594	7,662	7,858	7,194	8,709	9,638	8,507	7,094	6,221	7,008

<sup>1</sup> Department of Labor, Bureau of Labor Statistics, revised April 1982. <sup>2</sup> Weekly average; from Association of American Railroads. <sup>3</sup> Weekly average; from Agricultural Marketing Service, USDA. <sup>4</sup> Preliminary data for 1982. p = preliminary.



# Livestock and Products

## Poultry and eggs

	Annual			1982	1983					
	1980	1981	1982 p	Oct	May	June	July	Aug	Sept	Oct
<b>Broilers</b>										
Federally inspected slaughter, certified (mil. lb.) . . .	11,272	11,106	12,039	1,010.4	1,094.4	1,125.2	977.3	1,113.1	1,020.2	—
Wholesale price, 9-city, (cts./lb.) <sup>1</sup> . . . . .	46.8	46.3	44.0	42.3	46.9	49.1	52.8	54.2	54.5	50.4
Price of broiler grower feed (\$/ton) . . . . .	207	227	210	203	220	217	217	228	240	237
Broiler-feed price ratio (lb.) <sup>2</sup> . . . . .	2.7	2.6	2.5	2.5	2.4	2.6	2.8	2.8	2.8	2.5
Average weekly placements of broiler chicks, 19 States (mil.) . . . . .	77.9	77.1	80.2	73.7	83.7	83.4	80.4	79.5	75.2	74.1
<b>Turkeys</b>										
Federally inspected slaughter, certified (mil. lb.) . .	2,332	2,509	2,459	276.6	183.8	231.3	224.7	271.8	258.7	—
Wholesale price, New York, 8-18 lb. young hens (cts./lb.) . . . . .	63.6	60.7	60.8	69.6	56.6	60.9	58.5	57.6	64.9	65.1
Price of turkey grower feed (\$/ton) . . . . .	223	249	229	221	241	246	243	252	264	263
Turkey-feed price ratio (lb.) <sup>2</sup> . . . . .	3.6	3.1	3.3	3.0	2.9	2.9	2.8	2.8	3.0	3.0
Poults hatched (mil.) . . . . .	188.7	187.3	184.2	(*)	(*)	(*)	(*)	(*)	(*)	(*)
Poults placed in U.S. (mil.) . . . . .	(*)	(*)	(*)	9.6	20.9	20.9	19.1	12.6	8.1	9.2
<b>Eggs</b>										
Price of laying feed (\$/ton) . . . . .	188	210	190	185	202	201	202	208	218	218
Egg-feed price ratio (lb.) <sup>2</sup> . . . . .	6.0	6.0	6.1	6.3	6.1	5.9	5.7	6.1	6.0	6.3
Cartoned price, New York, grade A large (cts./doz.) <sup>3</sup> . . . . .	66.9	73.2	70.1	69.5	69.9	69.7	68.2	76.5	78.6	80.2
Replacement chicks hatched (mil.) . . . . .	485	454	444	32.3	39.0	37.9	30.9	31.1	32.0	32.6

	Annual			1982	1983					
	1980	1981	1982 p	Oct	May	June	July	Aug	Sept	Oct
<b>Eggs</b>										
Farm production (mil.) . . . . .	69,671	69,827	69,680	(*)	5,691	5,497	5,634	5,600	5,448	5,650
Average number of layers on farms (mil.) . . . . .	288	288	286	(*)	271	270	268	269	270	272
Rate of lay (eggs per layer) . . . . .	242	243	244	(*)	21.0	20.4	21.0	20.8	20.2	20.8

	Annual			1982	1983					
	1980	1981	1982 p	Oct	May	June	July	Aug	Sept	Oct
<b>Stocks</b>										
Eggs, shell (thou. cases) . . . . .	38	31	35	(*)	23	32	44	24	25	25
Eggs, frozen (mil. lb.) . . . . .	23.4	24.3	23.7	(*)	24.2	23.0	22.9	21.4	19.0	16.4
Broilers, beginning of period (mil. lb.) . . . . .	30.6	22.4	32.6	(*)	20.6	18.4	20.8	21.4	23.8	26.0
Turkeys, beginning of period (mil. lb.) . . . . .	240.0	198.0	238.4	(*)	192.3	210.5	255.7	323.5	384.0	432.2

<sup>1</sup> 12-city composite weighted average beginning April 25, 1983. <sup>2</sup> Pounds of feed equal in value to 1 dozen eggs or 1 lb. of broiler or turkey liveweight. <sup>3</sup> Price of cartoned eggs to volume buyers for delivery to retailers. <sup>4</sup> Not reported.

## Dairy

	Annual			1982		1983				
	1980	1981	1982	Oct	May	June	July	Aug	Sept	Oct
<b>Milk prices, Minnesota-Wisconsin,</b>										
3.5% fat (\$/cwt.) <sup>1</sup>	11.88	12.57	12.48	12.56	12.51	12.50	12.50	12.48	12.48	12.52
Price of 16% dairy ration (\$/ton)	177	192	177	171	184	184	182	189	198	199
Milk-feed price ratio (lb.) <sup>2</sup>	1.47	1.43	1.54	1.81	1.45	1.43	1.45	1.41	1.36	1.38
<b>Wholesale prices:</b>										
Butter, Grade A Chl. (cts./lb.)	139.3	148.0	147.7	147.4	147.2	147.3	147.2	147.7	151.0	147.8
Am. cheese, Wis. assembly pt. (cts./lb.)	133.0	139.4	138.3	140.3	137.4	137.4	137.0	137.0	139.2	140.6
Nonfat dry milk, (cts./lb.) <sup>3</sup>	88.4	93.1	93.2	93.1	93.4	93.4	93.4	93.4	93.4	93.4
<b>USDA net removals (mil. lb.):</b>										
Total milk equiv. (mil. lb.) <sup>4</sup>	8,799.9	12,860.9	14,281.6	819.7	1,971.3	1,846.8	1,355.6	1,178.6	615.0	680.7
Butter (mil. lb.)	257.0	351.5	382.0	21.3	55.5	40.1	23.4	16.6	5.9	18.1
Am. cheese (mil. lb.)	349.7	563.0	642.5	38.1	83.0	102.8	87.9	84.2	49.2	30.6
Nonfat dry milk (mil. lb.)	634.3	851.3	948.1	53.4	111.8	123.7	102.9	104.0	63.4	62.4

	Annual			1982				1983		
	1980	1981	1982	I	II	III	IV	I	II	III
<b>Milk:</b>										
Total milk production (mil. lb.)	128,525	133,013	135,795	33,235	35,723	33,983	32,854	33,955	36,453	34,842
Milk per cow (lb.)	11,889	12,177	12,316	3,016	3,246	3,082	2,972	3,070	3,294	3,141
Number of milk cows (thou.)	10,810	10,923	11,026	11,021	11,004	11,026	11,053	11,059	11,068	11,093
<b>Stocks, beginning</b>										
Total milk equiv. (mil. lb.) <sup>4</sup>	8,599	12,958	18,377	18,377	18,022	20,990	20,916	20,054	22,204	23,847
Commercial (mil. lb.)	5,419	5,752	5,398	5,398	5,167	5,042	4,569	4,603	5,047	5,145
Government (mil. lb.)	3,180	7,207	12,980	12,980	12,855	15,949	16,347	15,451	17,156	18,702
Imports, total equiv. (mil. lb.) <sup>4</sup>	2,109	2,329	2,477	422	565	581	909	633	538	n.a.
Commercial disappearance milk equiv. (mil. lb.)	119,161	120,531	122,430	28,854	30,942	31,794	31,042	27,943	30,526	n.a.
<b>Butter:</b>										
Production (mil. lb.)	1,145.3	1,228.2	1,257.0	366.6	334.0	256.4	300.0	380.7	357.1	262.9
Stocks, beginning (mil. lb.)	177.8	304.6	429.2	429.2	447.8	541.6	510.0	466.8	533.0	588.5
Commercial disappearance (mil. lb.)	878.8	869.2	897.3	211.4	217.6	217.3	251.0	208.3	208.5	n.a.
<b>American cheese:</b>										
Production (mil. lb.)	2,375.8	2,642.3	2,750.5	662.1	759.4	673.2	655.7	705.2	819.3	703.3
Stocks, beginning (mil. lb.)	406.6	591.5	889.1	889.1	817.1	903.2	955.0	981.4	1,060.4	1,092.8
Commercial disappearance (mil. lb.)	2,023.9	2,147.9	2,165.0	541.3	546.1	549.4	528.1	459.2	558.4	n.a.
<b>Other Cheese:</b>										
Production (mil. lb.)	1,608.5	1,835.3	1,789.4	411.9	443.5	448.1	485.8	439.1	454.1	453.2
Stocks, beginning (mil. lb.)	105.6	99.3	86.6	86.6	80.9	91.8	99.2	82.8	85.3	101.9
Commercial disappearance (mil. lb.)	1,827.9	1,875.6	2,044.6	462.9	484.5	501.0	596.2	496.1	495.9	n.a.
<b>Nonfat dry milk:</b>										
Production (mil. lb.)	1,160.7	1,314.3	1,400.6	247.2	417.5	339.0	296.9	368.4	451.8	377.8
Stocks, beginning (mil. lb.)	485.2	586.8	889.7	889.7	975.6	1,132.4	1,240.1	1,282.0	1,305.7	1,400.9
Commercial disappearance (mil. lb.)	538.9	464.1	447.8	105.0	75.5	147.1	120.2	109.0	111.2	n.a.
<b>Frozen dessert production (mil. gal.)<sup>5</sup></b>	1,166.9	1,167.7	1,176.2	249.3	333.7	345.8	247.5	263.2	348.4	369.6

<sup>1</sup> Manufacturing grade milk. <sup>2</sup> Pounds of 16% protein ration equal in value to 1 pound of milk. <sup>3</sup> Prices paid f.o.b. Central States Production area, high heat spray process. <sup>4</sup> Milk-equivalent, fat-solids basis. <sup>5</sup> Ice cream, ice milk, and sherbert. n.a. = not available.

## Wool

	Annual			1982		1983				
	1980	1981	1982	Oct	May	June	July	Aug	Sept	Oct
<b>U.S. wool price, Boston<sup>1</sup> (cts./lb.)</b>	245	276	247	n.a.	193	198	219	223	225	225
<b>Imported wool price, Boston<sup>2</sup> (cts./lb.)</b>	265	292	262	243	247	248	245	248	247	254
<b>U.S. mill consumption, secured</b>										
Apparel wool (thou. lb.)	113,423	127,752	105,005	7,093	9,926	13,725	8,723	10,521	13,325	n.a.
Carpet wool (thou. lb.)	10,020	10,896	9,825	703	1,011	1,178	779	1,125	1,428	n.a.

<sup>1</sup> Wool price delivered at U.S. mills, clean basis. Graded Territory 64's (20.60-22.04 microns) staple 2 1/4" and up. Prior to January 1976 reported as: Territory fine, good French combing and staple. <sup>2</sup> Wool price delivered at U.S. mills, clean basis. Australian 60/62's, type 64A (24 micron), including duty (25.5 cents). Duty in 1982 is 10.0 cents. Prior to January 1976 reported as: Australian 64's combing, excluding. n.a. = not available.



## Meat animals

	Annual			1982		1983				
	1980	1981	1982	Oct	May	June	July	Aug	Sept	Oct
<b>Cattle on feed (7-States):</b>										
Number on feed (thou. head) <sup>1</sup>	8,454	7,863	7,201	7,153	7,221	7,331	7,275	6,873	6,691	6,951
Placed on feed (thou. head)	18,346	17,814	20,261	2,600	1,843	1,582	1,190	1,566	2,003	2,460
Marketings (thou. head)	17,448	17,198	18,007	1,527	1,583	1,560	1,498	1,659	1,672	1,626
Other disappearance (thou. head)	1,489	1,263	1,139	83	150	78	94	89	71	102
Beef steer-corn price ratio, Omaha (bu.) <sup>2</sup>	25.1	22.2	26.5	27.7	21.8	21.2	19.6	18.1	17.8	18.4
Hog-corn price ratio, Omaha (bu.) <sup>2</sup>	14.6	15.5	22.9	27.2	15.2	14.7	14.4	14.6	13.8	12.9
<b>Market prices (\$ per cwt.)</b>										
<b>Slaughter cattle:</b>										
Choice steers, Omaha	66.96	63.84	64.30	58.78	67.51	65.90	62.22	61.27	59.19	59.58
Utility cows, Omaha	45.73	41.93	39.96	39.28	42.98	42.26	41.14	39.63	37.75	37.42
Choice vealers, S. St. Paul	75.53	77.16	77.70	75.00	76.00	71.00	75.00	75.00	73.38	66.75
<b>Feeder cattle:</b>										
Choice, Kansas City, 600-700 lb.	75.23	66.24	64.82	63.45	67.62	64.75	60.13	58.58	58.31	60.20
<b>Slaughter hogs:</b>										
Barrows and glits, 7-markets	40.04	44.45	55.44	56.94	47.02	45.71	45.66	49.35	45.70	41.38
<b>Feeder pigs:</b>										
S. Mo. 40-50 lb. (per head)	30.14	35.40	51.14	53.81	35.14	26.05	21.24	24.01	22.96	22.27
<b>Slaughter sheep and lambs:</b>										
Lambs, Choice, San Angelo	66.42	58.40	56.44	50.38	60.62	56.62	50.75	51.30	50.88	54.44
Ewes, Good, San Angelo	24.68	26.15	21.80	12.06	14.94	14.50	17.00	14.45	11.62	13.13
<b>Feeder lambs:</b>										
Choice, San Angelo	68.36	56.86	52.97	46.67	56.62	51.44	44.38	43.62	42.94	49.81
<b>Wholesale meat prices, Midwest</b>										
Choice steer beef, 600-700 lb.	104.44	99.84	101.31	93.00	105.00	102.47	97.72	95.01	92.10	91.24
Canner and Cutter cow beef	92.45	84.06	76.96	77.83	83.67	82.98	81.21	81.58	75.27	71.54
Pork loins, 8-14 lb.	84.87	96.56	111.51	113.43	100.58	102.50	—	—	—	—
Pork bellies, 12-14 lb.	43.78	52.29	76.54	75.20	60.80	60.19	59.06	65.72	55.30	49.10
Hams, skinned, 14-17 lb.	73.34	77.58	91.47	105.80	66.29	63.51	65.04	72.81	74.21	73.66

	Annual			1982			1983			
	1980	1981	1982	II	III	IV	I	II	III	IV
<b>Cattle on feed (13-States):</b>										
Number on feed (thou. head) <sup>1</sup>	10,399	9,845	9,028	8,818	8,981	8,800	10,271	9,153	9,067	8,465
Placed on feed (thou. head)	22,548	21,929	24,425	5,781	5,846	7,226	5,047	5,886	5,586	—
Marketings (thou. head)	21,306	21,219	21,809	5,209	5,773	5,384	5,714	5,522	5,890	45,323
Other disappearance (thou. head)	1,796	1,527	1,373	409	254	371	451	450	298	—
<b>Hogs and pigs (10-States):<sup>2</sup></b>										
Inventory (thou. head) <sup>1</sup>	49,090	45,970	41,940	40,610	41,190	41,670	42,440	41,840	45,250	45,880
Breeding (thou. head) <sup>1</sup>	6,840	6,021	5,593	5,578	5,689	5,553	5,670	5,928	6,224	5,829
Market (thou. head) <sup>1</sup>	42,250	39,949	36,347	35,032	35,501	36,117	36,770	35,912	39,026	40,051
Farrowings (thou. head)	10,527	9,821	8,963	2,391	2,199	2,363	2,090	2,768	2,400	42,464
Pig crop (thou. head)	76,230	72,591	65,767	17,943	16,254	17,548	15,543	21,063	17,675	—
<b>Commercial slaughter (thou. head)*</b>										
Cattle	33,807	34,953	35,843	8,642	9,214	9,308	8,734	8,844	9,548	—
Steers	17,156	17,508	17,277	4,390	4,323	4,133	4,265	4,387	4,524	—
Heifers	9,593	10,027	10,394	2,353	2,879	2,825	2,581	2,553	2,897	—
Cows	6,334	6,643	7,354	1,685	1,767	2,144	1,701	1,694	1,907	—
Bulls and stags	724	775	818	214	225	206	187	210	220	—
Calves	2,588	2,798	3,021	675	770	806	734	669	805	—
Sheep and lambs	5,579	6,008	6,449	1,537	1,628	1,681	1,624	1,574	1,737	—
Hogs	96,074	91,575	82,190	20,712	18,940	20,825	20,211	21,403	21,292	—
<b>Commercial production (mil. lb.)</b>										
Beef	21,470	22,214	22,366	5,363	5,730	5,818	5,525	5,549	6,012	—
Veal	379	415	423	99	107	110	103	98	110	—
Lamb and mutton	310	327	356	85	88	93	93	89	94	—
Pork	16,432	15,716	14,121	3,550	3,240	3,638	3,483	3,726	3,644	—

<sup>1</sup> Beginning of period. <sup>2</sup> Bushels of corn equal in value to 100 pounds liveweight. <sup>3</sup> Quarters are Dec. preceding year-Feb. (I), Mar.-May (III), June-Aug. (III), and Sept.-Nov. (IV). <sup>4</sup> Intentions. \*Classes estimated.

# Crops and Products

## Food grains

	Marketing year <sup>1</sup>			1982	1983					
	1979/80	1980/81	1981/82	Oct	May	June	July	Aug	Sept	Oct
<b>Wholesale prices:</b>										
Wheat, No. 1 HRW, Kansas City (\$/bu.) <sup>2</sup>	4.25	4.45	4.27	3.61	4.05	3.92	3.71	3.88	3.90	3.84
Wheat, DNS, Minneapolis (\$/bu.) <sup>2</sup>	4.16	4.46	4.17	3.78	4.25	4.15	4.07	4.21	4.30	4.33
Flour, Kansas City (\$/cwt.)	10.03	10.35	10.37	9.96	10.35	10.39	*10.38	*10.34	*10.33	*10.32
Flour, Minneapolis (\$/cwt.)	10.27	10.98	10.70	10.39	10.95	11.21	*11.20	*11.16	*11.11	*11.10
Rice, S.W. La. (\$/cwt.) <sup>3</sup>	22.15	25.95	20.20	17.50	18.50	18.60	18.75	19.40	19.75	19.35
<b>Wheat:</b>										
Exports (mil. bu.)	1,375	1,514	1,771	103	105	124	126	97	136	124
Mill grind (mil. bu.)	630	643	631	56	58	57	55	65	62	—
Wheat flour production (mil. cwt.)	283	290	280	25	26	25	25	29	127	—
	Marketing year <sup>1</sup>			1982				1983		
	1979/80	1980/81	1981/82	Jan-Mar	Apr-May	June-Sept	Oct-Dec	Jan-Mar	Apr-May p	June-Sept p
<b>Wheat:</b>										
Stocks, beginning (mil. bu.)	924	902	989	2,178	1,567	1,164	2,987	2,520	1,877	1,543
<b>Domestic use:</b>										
Food (mil. bu.)	596	611	602	152	89	206	162	151	97	208
Feed and seed (mil. bu.) <sup>4</sup>	187	165	253	29	24	235	15	53	9	309
Exports (mil. bu.)	1,375	1,514	1,771	441	280	546	293	442	228	482

<sup>1</sup> Beginning June 1 for wheat and August 1 for rice. <sup>2</sup> Ordinary protein. <sup>3</sup> Long-grain, milled basis. <sup>4</sup> Feed use approximated by residual. n.a. = not available. \*BLS discontinued reporting prices, prices estimated based on Index.

## Feed grains

	Marketing year <sup>1</sup>			1982	1983					
	1979/80	1980/81	1981/82	Oct	May	June	July	Aug	Sept	Oct
<b>Wholesale prices:</b>										
Corn, No. 2 yellow, St. Louis (\$/bu.)	2.73	3.35	2.61	2.32	3.24	3.27	3.39	3.68	3.60	3.50
Sorghum, No. 2 yellow, Kansas City (\$/cwt.)	4.65	5.36	4.29	3.85	5.37	5.37	5.32	5.69	5.55	5.37
Barley, feed, Minneapolis (\$/bu.)	2.16	2.60	2.21	1.54	1.95	1.96	1.95	2.42	2.61	2.60
Barley, malting, Minneapolis (\$/bu.)	2.87	3.64	3.06	2.42	2.76	2.60	2.54	2.76	2.90	2.96
<b>Exports:</b>										
Corn (mil. bu.)	2,433	2,365	1,967	167	150	152	125	120	144	156
Feed grains (mil. metric tons) <sup>2</sup>	71.7	69.4	58.4	4.8	4.1	4.2	3.6	3.7	4.6	4.7
	Marketing year <sup>1</sup>			1982				1983		
	1979/80	1980/81	1981/82	Jan-Mar	Apr-May	June-Sept	Oct-Dec	Jan-Mar	Apr-May	June-Sept
<b>Corn:</b>										
Stocks, beginning (mil. bu.)	1,304	1,618	1,034	6,968	5,132	3,904	2,286	8,424	6,364	5,081
<b>Domestic use:</b>										
Feed (mil. bu.)	4,519	4,139	4,173	1,194	672	753	1,544	1,382	822	1,024
Food, seed, ind. (mil. bu.)	675	735	812	153	147	342	203	169	153	377
<b>Feed grains:<sup>2</sup></b>										
Stocks, beginning (mil. metric tons)	48.2	52.4	34.6	207.0	150.5	114.3	84.9	250.5	188.7	150.6
<b>Domestic use:</b>										
Feed (mil. metric tons)	138.7	123.0	127.9	36.6	20.1	23.7	48.1	41.6	24.7	33.4
Food, seed, ind. (mil. metric tons)	22.3	23.8	25.8	5.2	5.0	10.3	6.2	5.5	5.2	11.2

<sup>1</sup> Beginning October 1 for corn and sorghum; June 1 for oats and barley. <sup>2</sup> Aggregated data for corn, sorghum, oats, and barley.



## Fats and oils

	Marketing year <sup>1</sup>			1982	1983					
	1979/80	1980/81	1981/82	Oct	May	June	July	Aug	Sept	Oct
<b>Soybeans:</b>										
Wholesale price, No. 1 yellow,										
Chicago (\$/bu.) <sup>2</sup>	6.46	7.59	6.24	5.26	6.26	6.07	6.62	8.42	8.85	8.38
Crushings (mil. bu.)	1,123.0	1,020.5	1,029.7	100.2	83.7	81.5	81.6	85.7	86.3	—
Exports (mil. bu.)	875.0	724.3	929.1	94.4	58.5	67.7	51.6	60.2	53.9	—
<b>Soybean oil:</b>										
Wholesale price, crude, Decatur (cts./lb.)	24.3	22.7	19.0	17.4	19.8	19.4	21.6	30.2	34.3	30.7
Production (mil. lb.)	12,105.3	11,270.2	10,979.4	1,079.4	908.8	891.3	888.0	930.2	946.3	—
Domestic disappearance (mil. lb.)	8,980.7	9,113.7	9,536.3	793.2	830.0	803.1	813.7	808.9	867.5	—
Exports (mil. lb.)	2,690.2	1,630.5	2,076.3	181.1	127.5	94.1	208.9	125.1	225.1	—
Stocks, beginning (mil. lb.)	776.0	1,210.2	1,736.1	1,102.5	1,600.4	1,551.9	1,545.9	1,411.4	1,407.6	1,261.2
<b>Soybean meal:</b>										
Wholesale price, 44% protein, Decatur (\$/ton)	181.91	218.18	182.52	157.0	185.8	175.5	189.3	232.8	233.6	228.6
Production (thou. ton)	27,105.1	24,312.1	24,634.4	2,385.9	1,992.7	1,955.8	1,933.5	2,052.8	2,075.1	—
Domestic disappearance (thou. ton)	19,215.0	17,590.9	17,714.4	1,770.1	1,548.5	1,491.2	1,459.0	1,709.0	1,587.0	—
Exports (thou. ton)	7,931.9	6,784.1	6,907.5	448.2	458.8	533.8	381.6	330.5	392.5	—
Stocks, beginning (thou. ton)	267.4	225.6	162.7	175.2	356.1	341.5	272.3	365.2	378.5	474.1
Margarine, wholesale price, Chicago (cts./lb.)	50.3	47.0	41.4	41.3	42.4	42.8	43.5	51.9	58.5	55.7

<sup>1</sup> Beginning September 1 for soybeans; October 1 for soybean meal and oil; calendar year for margarine. <sup>2</sup> Beginning April 1, 1982. Prices based on 30-day delivery, using upper end of the range.

## Cotton

	Marketing year <sup>1</sup>			1982	1983					
	1979/80	1980/81	1981/82	Oct	May	June	July	Aug	Sept	Oct
U.S. price, SLM, 1-1/16 in. (cts./lb.) <sup>2</sup>	71.5	83.0	60.5	58.6	66.9	70.7	70.3	72.9	71.7	72.0
Northern Europe prices:										
Index (cts./lb.) <sup>3</sup>	na	93.3	73.8	70.2	82.0	86.0	88.4	90.8	89.9	88.1
U.S. M 1-3/32" (cts./lb.) <sup>4</sup>	na	na	75.9	73.4	80.6	85.1	88.1	88.9	88.2	88.1
U.S. mill consumption (thou. bales)	6,463.0	5,870.5	5,263.8	434.7	462.3	572.1	386.8	476.1	584.8	478.8
Exports (thou. bales)	9,228.9	5,925.8	6,567.3	308.3	483.6	458.1	432.3	402.8	339.2	—

<sup>1</sup> Beginning August 1. <sup>2</sup> Average spot market. <sup>3</sup> Liverpool Outlook "A" Index; average of five lowest priced of 10 selected growths. <sup>4</sup> Memphis territory growths. na = not available.

## Fruit

	Annual			1982	1983					
	1980	1981	1982	Oct	May	June	July	Aug	Sept	Oct
<b>Wholesale price indexes:</b>										
Fresh fruit (1967=100)	237.3	226.7	235.4	224.5	231.9	238.7	265.0	269.5	262.6	297.6
Dried fruit (1967=100)	399.2	405.9	409.7	412.5	412.0	412.3	412.5	412.2	413.6	404.2
Canned fruit and juice (1967=100)	256.4	273.8	283.7	281.6	284.1	284.8	286.5	288.0	288.4	289.8
Frozen fruit and juice (1967=100)	244.3	302.8	305.5	301.9	302.3	301.3	301.3	301.2	302.3	302.4
<b>F.o.b. shipping point prices:</b>										
Apples, Yakima Valley (\$/ctn.) <sup>1</sup>	n.a.	n.a.	n.a.	10.95	<sup>2</sup> 10.69	<sup>3</sup> 11.00	<sup>3</sup> 11.06	<sup>3</sup> 15.50	12.17	10.50
Pears, Medford, Or. (\$/box) <sup>2</sup>	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Oranges, U.S. avg. (\$/box)	9.58	11.30	14.10	17.80	9.94	10.80	12.90	14.10	9.90	8.96
Grapes, U.S. avg. (\$/box)	8.50	10.10	9.36	8.82	9.42	10.40	10.40	10.60	10.80	10.70

	Year ending			1982	1983					
	1980	1981	1982	Oct	May	June	July	Aug	Sept	Oct
<b>Stocks, ending:</b>										
Fresh apples (mil. lb.)	2,244.6	2,676.1	3,138.9	—	427.0	216.3	68.2	12.0	1,753.8	3,949.2
Fresh pears (mil. lb.)	205.0	207.9	180.9	—	18.2	.3	12.6	113.2	510.6	358.6
Frozen fruit (mil. lb.)	579.5	545.6	627.5	—	351.5	470.5	549.8	610.0	625.2	694.3
Frozen fruit juices (mil. lb.)	1,008.4	1,127.2	1,157.6	—	1,850.6	1,666.3	1,528.2	1,253.0	1,089.7	977.6

<sup>1</sup> Red Delicious, Washington extra fancy, carton tray pack, 80-113's. <sup>2</sup> D'Anjou pears, Medford, Or. wrapped, U.S. No. 1, 100-135's. <sup>3</sup> Control atmosphere storage. n.a. = not available.

## Vegetables

	Annual			1982	1983					
	1980	1981	1982	Oct	May	June	July	Aug	Sept	Oct
<b>Wholesale prices:</b>										
Potatoes, white, f.o.b. East (\$/cwt.) . . .	6.32	9.39	6.05	4.32	6.30	9.50	10.97	11.58	8.91	8.37
Iceberg lettuce (\$/crt.) <sup>1</sup> . . . . .	4.25	5.27	5.92	6.28	7.50	9.50	4.23	5.49	6.91	7.29
Tomatoes (\$/crt.) <sup>2</sup> . . . . .	7.57	9.06	7.40	7.74	9.73	7.91	4.52	3.72	5.41	6.39
<b>Wholesale price index, 10 canned</b>										
veg. (1967=100) . . . . .	200	235	239	235	231	231	236	235	236	242
<b>Grower price index, fresh commercial</b>										
veg. (1977=100) . . . . .	110	135	120	94	141	139	109	120	127	150

<sup>1</sup> Std. carton 24's f.o.b. shipping point. <sup>2</sup> 5 x 6-6 x 6, f.o.b. Fla-Cal.

## Sugar

	Annual			1982	1983					
	1980	1981	1982	Oct	May	June	July	Aug	Sept	Oct
U.S. raw sugar price, N.Y. (cts./lb.) <sup>1</sup> . . .	30.11	19.73	19.92	20.44	22.59	22.54	22.09	22.55	22.20	21.94
U.S. deliveries (thou. short tons) <sup>2,3</sup> . . .	10,149	9,731	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

<sup>1</sup> Spot price reported by N.Y. Coffee and Sugar Exchange. Reporting resumed in mid-August 1979 after being suspended November 3, 1977. <sup>2</sup> Raw value. <sup>3</sup> Excludes Hawaii. n.a. = not available.

## Tobacco

	Annual			1982	1983					
	1980	1981	1982 p	Oct	May	June	July	Aug	Sept	Oct
<b>Prices at auctions:</b>										
Flue-cured (cts./lb.) <sup>1</sup> . . . . .	144.5	166.4	178.6	180.6	—	—	141.0	166.0	190.0	174.0
Burley (cts./lb.) <sup>1</sup> . . . . .	165.9	180.6	180.3	—	—	—	—	—	—	—
<b>Domestic consumption<sup>2</sup></b>										
Cigarettes (bil.) . . . . .	620.7	640.0	633.0	54.1	47.9	60.4	43.0	54.5	n.a.	n.a.
Large cigars (mil.) . . . . .	3,994	3,893	3,607	311.7	303.4	344.5	254.9	359.0	n.a.	n.a.

<sup>1</sup> Crop year July-June for flue-cured, October-September for burley. <sup>2</sup> Taxable removals. n.a. = not available.

## Coffee

	Annual			1982	1983					
	1980	1981	1982 p	Oct	May	June	July	Aug	Sept p	Oct p
Composite green price, N.Y. (cts./lb.) . . .	157.78	122.10	132.00	135.00	127.62	126.61	127.36	127.73	129.86	139.50 p
Imports, green bean equivalent (mil.lb.) <sup>1</sup> .	2,468	2,248	2,352	274	208	140	183	175	210	235 F
	Annual			1982	1983					
	1980	1981	1982 p	Apr-June	July-Sept	Oct-Dec	Jan-Mar	Apr-June	July-Sept p	Oct-Dec p
Roastings (mil. lb.) <sup>2</sup> . . . . .	2,255	2,324	2,293	498	536	674	554	486	549	685 F

<sup>1</sup> Green and processed coffee. <sup>2</sup> Instant soluble and roasted coffee. F = Forecast. p = preliminary.



# Supply and Utilization: Crops

## Supply and utilization: domestic measure<sup>1</sup>

	Area		Yield	Production	Total Supply <sup>2</sup>	Feed and Residual	Other domestic use	Exports	Total use	Ending stocks	Farm price <sup>3</sup>
	Planted	Harvested									
	Mil. acres		Bu/acre				Mil. bu				\$/bu
<b>Wheat:</b>											
1979/80	71.4	62.5	34.2	2,134	3,060	86	697	1,375	2,158	902	3.78
1980/81	80.6	71.0	33.4	2,374	3,279	51	725	1,514	2,290	989	3.91
1981/82	88.9	81.0	34.5	2,799	3,791	142	714	1,771	2,627	1,164	3.85
1982/83	87.3	78.8	35.8	2,809	3,980	215	713	1,509	2,437	1,543	3.53
1983/84	76.6	61.0	39.5	2,408	3,954	350	730	1,400	2,480	1,474	3.50-3.70
	Mil. acres		lb/acre				Mil. cwt (rough equiv.)				c/lb
<b>Rice:</b>											
1979/80	2.89	2.87	4,599	131.9	163.6	76.1	49.2	82.6	137.9	25.7	10.50
1980/81	3.38	3.31	4,413	146.2	172.1	79.7	54.5	91.4	155.6	16.5	12.80
1981/82	3.83	3.79	4,819	182.7	199.6	79.0	59.6	82.0	150.6	49.0	9.05
1982/83	3.29	3.25	4,742	154.2	203.7	79.0	54.0	69.2	132.2	71.5	8.18
1983/84	2.34	2.23	4,640	103.3	175.4	710.0	62.0	69.0	141.0	34.4	8.50-10.00
	Mil. acres		Bu/acre				Mil. bu				\$/bu
<b>Corn:</b>											
1979/80	81.4	72.4	109.7	7,939	9,244	4,519	675	2,433	7,627	1,617	2.52
1980/81	84.0	73.0	91.0	6,645	8,263	4,139	735	2,355	7,229	1,034	3.11
1981/82	84.2	74.7	109.8	8,202	9,237	4,173	811	1,967	6,951	2,286	2.60
1982/83	81.9	73.2	114.8	8,397	10,684	4,772	902	1,870	7,544	3,140	2.70
1983/84	60.1	51.2	80.5	4,121	7,262	3,925	950	1,875	6,750	512	3.40-3.80
	Mil. acres		Bu/acre				Mil. bu				\$/bu
<b>Sorghum:</b>											
1979/80	15.3	12.9	62.7	809	969	484	13	325	822	147	2.34
1980/81	15.6	12.5	46.3	579	726	307	11	299	617	109	2.94
1981/82	16.0	13.7	64.1	878	988	431	11	249	691	297	2.39
1982/83	16.1	14.2	59.0	841	1,138	514	10	215	739	399	2.55
1983/84	11.6	10.1	47.5	482	881	500	10	225	735	146	3.10-3.40
	Mil. acres		Bu/acre				Mil. bu				\$/bu
<b>Barley:</b>											
1979/80	8.1	7.5	50.9	383	623	204	172	55	431	192	2.29
1980/81	6.3	7.3	49.6	361	563	174	175	77	426	137	2.86
1981/82	9.7	9.2	52.3	479	626	202	174	100	476	150	2.45
1982/83	9.6	9.1	57.3	522	683	243	170	47	460	223	2.16
1983/84	10.5	9.9	53.7	532	765	340	175	85	600	165	2.55-2.80
	Mil. acres		Bu/acre				Mil. bu				\$/bu
<b>Oats:</b>											
1979/80	14.0	9.7	54.4	527	808	492	76	4	572	236	1.36
1980/81	13.4	8.7	53.0	458	696	432	74	13	519	177	1.79
1981/82	13.7	9.4	54.0	509	688	453	77	7	536	152	1.89
1982/83	14.2	10.6	58.4	817	773	456	85	3	544	229	1.45
1983/84	20.2	9.1	52.2	473	715	460	80	5	545	170	1.65-1.80
	Mil. acres		Bu/acre				Mil. bu				\$/bu
<b>Soybeans:</b>											
1979/80	71.6	70.6	32.1	2,268	2,442	485	1,123	875	2,083	359	6.28
1980/81	70.0	87.9	26.4	1,792	2,151	489	1,020	724	1,833	318	7.57
1981/82	67.8	66.4	30.1	2,000	2,318	493	1,030	929	2,052	266	6.04
1982/83	71.5	69.8	31.9	2,230	2,496	496	1,108	905	2,109	387	5.65
1983/84	63.3	81.4	24.7	1,537	1,924	489	975	720	1,784	140	8.50-9.50
							Mil. lbs				c/lb
<b>Soybean oil:</b>											
1979/80	—	—	—	12,105	12,881	—	8,981	2,690	11,671	1,210	24.3
1980/81	—	—	—	11,270	12,480	—	9,113	1,631	10,744	1,736	22.7
1981/82	—	—	—	10,979	12,715	—	9,535	2,077	11,612	1,103	19.0
1982/83	—	—	—	12,041	13,144	—	9,858	2,025	11,883	1,261	20.6
1983/84	—	—	—	10,614	11,875	—	9,750	1,350	11,100	775	28.0-34.0
							Thou. tons				\$/ton
<b>Soybean meal:</b>											
1979/80	—	—	—	27,105	27,372	—	19,214	7,932	27,146	226	181.9
1980/81	—	—	—	24,312	24,538	—	17,591	6,784	24,375	163	218.2
1981/82	—	—	—	24,634	24,797	—	17,714	6,908	24,622	175	183
1982/83	—	—	—	26,714	26,889	—	19,306	7,109	26,415	474	187
1983/84	—	—	—	23,111	23,585	—	17,750	5,650	23,400	185	2.30-2.50

See footnotes at end of table.

# Supply and utilization—domestic measure, continued

	Area		Yield	Production	Total Supply <sup>2</sup>	Feed and Residual	Other domestic use	Exports	Total use	Ending stocks	Farm price <sup>3</sup>
	Planted	Harvested									
	Mill. acres		lb./acre			Mill. bales					c/lb
<b>Cotton:</b>											
1979/80 . . . . .	14.0	12.8	547	14.6	18.6	—	6.5	9.2	15.7	3.0	\$62.5
1980/81 . . . . .	14.5	13.2	404	11.1	14.1	—	5.9	5.9	11.8	2.7	\$74.7
1981/82* . . . . .	14.3	13.8	543	15.6	18.3	—	5.3	6.6	11.8	8.8	\$54.3
1982/83* . . . . .	11.3	9.7	590	12.0	18.6	—	5.5	5.2	10.7	7.9	—
1983/84* . . . . .	8.3	7.1	504	7.5	15.5	—	6.0	5.6	11.6	4.0	—

# Supply and utilization—metric measure<sup>6</sup>

	Area		Yield	Production	Total Supply <sup>2</sup>	Feed and Residual	Other domestic use	Exports	Total use	Ending stocks	Farm price <sup>3</sup>
	Planted	Harvested									
	Mill. hectares		Metric tons/ha			Mill. metric tons					\$/metric ton
<b>Wheat:</b>											
1979/80 . . . . .	26.9	25.3	2.30	58.1	83.3	2.3	19.0	37.4	58.7	24.5	139
1980/81 . . . . .	32.6	28.7	2.25	64.6	89.2	1.4	19.7	41.2	62.3	26.9	144
1981/82* . . . . .	36.0	32.8	2.32	76.2	103.2	3.9	19.4	48.2	71.5	31.7	134
1982/83* . . . . .	35.3	31.9	2.39	76.4	108.3	5.8	19.4	41.1	66.3	42.0	130
1983/84* . . . . .	31.0	24.7	26.5	65.5	107.6	9.6	19.9	38.1	67.5	40.1	129-136
Mill. metric tons (rough equiv.)											
<b>Rice:</b>											
1979/80 . . . . .	1.2	1.2	6.16	6.0	7.4	<sup>1</sup> 0.3	2.2	3.7	6.2	1.2	231
1980/81 . . . . .	1.4	1.3	4.95	6.6	7.8	<sup>1</sup> 0.4	2.5	4.2	7.1	0.7	282
1981/82* . . . . .	1.6	1.5	6.40	8.3	9.0	<sup>1</sup> 0.4	2.7	3.7	6.8	2.2	200
1982/83* . . . . .	1.3	1.3	5.31	7.0	9.2	<sup>1</sup> 0.4	2.5	3.1	6.0	3.2	180
1983/84* . . . . .	1.0	0.9	5.20	4.7	8.0	<sup>1</sup> 0.5	2.8	3.1	6.4	1.6	187-220
Mill. metric tons											
<b>Corn:</b>											
1979/80 . . . . .	32.9	29.3	6.88	201.6	234.8	114.8	17.1	61.8	193.7	41.1	99
1980/81 . . . . .	34.0	29.5	5.72	168.8	209.9	105.1	18.7	59.8	183.6	26.3	122
1981/82* . . . . .	34.1	30.2	6.90	208.3	234.6	106.0	20.6	50.0	176.5	58.1	98
1982/83* . . . . .	33.1	29.6	7.21	213.3	271.4	121.2	22.9	47.5	191.6	79.8	106
1983/84* . . . . .	24.3	20.8	5.20	104.7	184.5	99.7	24.2	47.6	171.5	13.0	134-150
<b>Feed Grain:</b>											
1979/80 . . . . .	48.1	41.5	5.74	238.2	284.7	138.7	22.3	71.3	232.3	52.4	—
1980/81 . . . . .	49.1	41.1	4.82	198.0	250.7	123.0	23.8	69.3	216.1	34.6	—
1981/82* . . . . .	50.0	43.3	5.74	248.5	283.4	127.9	26.8	58.6	212.3	71.1	—
1982/83* . . . . .	49.3	43.3	5.89	255.0	326.4	146.2	28.1	53.9	228.2	98.1	—
1983/84* . . . . .	41.5	32.5	4.17	135.4	233.8	126.5	29.3	55.3	211.1	22.7	—
<b>Soybeans:</b>											
1979/80 . . . . .	29.0	28.6	2.16	61.7	66.5	<sup>4</sup> 2.3	30.6	23.8	56.7	9.8	231
1980/81 . . . . .	28.3	27.5	1.78	48.8	58.5	<sup>4</sup> 2.4	27.8	19.7	49.9	8.7	278
1981/82* . . . . .	27.4	26.9	2.03	54.4	63.1	<sup>4</sup> 2.5	28.0	25.3	55.8	7.2	222
1982/83* . . . . .	28.9	26.3	2.15	60.7	67.9	<sup>4</sup> 2.7	30.2	24.6	57.4	10.5	208
1983/84* . . . . .	25.6	24.9	1.66	41.8	51.8	<sup>4</sup> 2.4	26.5	19.6	48.6	3.8	310-350
<b>Soybean oil:</b>											
1979/80 . . . . .	—	—	—	5.49	5.84	—	4.07	1.22	5.29	.55	536
1980/81 . . . . .	—	—	—	5.11	5.66	—	4.13	.74	4.87	.79	500
1981/82* . . . . .	—	—	—	4.98	5.77	—	4.32	.94	5.27	.50	419
1982/83* . . . . .	—	—	—	5.46	5.95	—	4.47	.92	5.33	.57	452
1983/84* . . . . .	—	—	—	4.82	5.44	—	4.42	.61	5.08	.35	615-750
<b>Soybean meal:</b>											
1979/80 . . . . .	—	—	—	24.59	24.83	—	17.43	7.20	24.63	.20	201
1980/81 . . . . .	—	—	—	22.06	22.26	—	15.96	6.15	22.11	.15	241
1981/82* . . . . .	—	—	—	22.36	22.51	—	16.09	6.27	22.35	.16	201
1982/83* . . . . .	—	—	—	24.24	24.38	—	17.52	6.45	24.04	.43	206
1983/84* . . . . .	—	—	—	20.97	21.44	—	16.10	5.13	21.27	.17	250-275
\$/kg											
<b>Cotton:</b>											
1979/80 . . . . .	5.7	5.2	.61	3.19	4.05	—	1.42	2.00	3.42	.65	\$1.38
1980/81 . . . . .	5.9	5.4	.45	2.42	3.07	—	1.28	1.28	2.56	.59	\$1.65
1981/82* . . . . .	5.8	5.6	.61	3.41	3.99	—	1.15	1.44	2.57	1.44	\$1.20
1982/83* . . . . .	4.6	3.9	.66	2.60	4.05	—	1.20	1.13	2.33	1.72	—
1983/84* . . . . .	3.4	2.9	.67	1.63	3.37	—	1.31	1.22	2.53	.87	—

\*November 14, 1983 Supply and Demand Estimates. <sup>1</sup>Marketing year beginning June 1 for wheat, barley, and oats, August 1 for cotton and rice, September 1 for soybeans, and October 1 for corn, sorghum, soybean meal, and soybean oil. <sup>2</sup>Includes imports. <sup>3</sup>Season average. <sup>4</sup>Includes seed. <sup>5</sup>Upland and extra long staple. Stock estimates based on Census Bureau data which results in an unaccounted difference between supply and use estimates and changes in ending stocks. <sup>6</sup>Conversion factors: Hectare (ha.) = 2.471 acres, 1 metric ton = 2,204.622 pounds, 36,7437 bushels of wheat or soybeans, 39,3679 bushels of corn or sorghum, 49,9296 bushels of barley, 69,8944 bushels of oats, 22,046 cwt. of rice, and 4.59 480-pound bales of cotton. <sup>7</sup>Statistical discrepancy.



# General Economic Data

## Gross national product and related data

	Annual			1982		1983		
	1980	1981	1982	III	IV	I	II	III
\$ Bil. (Quarterly data seasonally adjusted at annual rates)								
<b>Gross national product<sup>1</sup></b> . . . . .	2,631.7	2,954.1	3,073.0	3,090.7	3,109.6	3,171.5	3,272.0	3,360.3
Personal consumption expenditures . . . . .	1,668.1	1,857.2	1,991.9	2,008.8	2,046.9	2,073.0	2,147.0	2,182.9
Durable goods . . . . .	214.7	236.1	244.5	243.4	252.1	258.5	277.7	284.5
Nondurable goods . . . . .	668.8	733.9	761.0	766.6	773.0	777.1	799.6	814.8
Clothing and shoes . . . . .	104.6	115.3	119.0	119.2	119.6	120.0	126.4	125.2
Food and beverages . . . . .	345.1	375.9	396.9	400.4	404.5	411.7	419.6	426.4
Services . . . . .	784.5	887.1	986.4	998.9	1,021.8	1,037.4	1,069.7	1,083.6
Gross private domestic investment . . . . .	401.9	474.9	414.5	425.3	377.4	404.1	450.1	498.2
Fixed investment . . . . .	411.7	456.5	439.1	430.2	433.8	443.5	464.6	489.5
Nonresidential . . . . .	308.8	352.2	348.3	342.3	337.0	332.1	336.3	349.6
Residential . . . . .	102.9	104.3	90.8	87.9	96.8	111.3	128.4	139.9
Change in business inventories . . . . .	-9.8	18.5	-24.5	-4.9	-56.4	-39.4	-14.5	8.7
Net exports of goods and services . . . . .	23.9	26.3	17.4	.9	5.6	17.0	-8.5	-20.2
Exports . . . . .	338.8	368.8	347.6	346.0	321.6	326.9	327.1	341.1
Imports . . . . .	314.8	342.5	330.2	345.0	316.1	309.9	335.6	361.3
Government purchases of goods and services . . . . .	537.8	595.7	649.2	655.7	679.7	677.4	683.4	699.4
Federal . . . . .	197.0	229.2	258.7	261.7	279.2	273.5	273.7	278.9
State and local . . . . .	340.8	366.5	390.5	394.0	400.5	404.0	409.7	420.6

1972 \$Bil. (Quarterly data seasonally adjusted at annual rates)

<b>Gross national product</b> . . . . .	1,475.0	1,513.8	1,485.4	1,485.7	1,480.7	1,490.1	1,525.1	1,553.6
Personal consumption expenditures . . . . .	931.8	956.8	970.2	971.0	979.6	986.7	1,010.6	1,018.0
Durable goods . . . . .	137.5	141.2	139.8	138.2	143.2	145.8	156.5	158.8
Nondurable goods . . . . .	355.6	362.5	364.2	364.7	366.0	368.9	374.7	378.1
Clothing and shoes . . . . .	77.9	83.2	84.4	84.1	84.5	84.7	88.4	86.1
Food and beverages . . . . .	181.0	181.8	184.0	184.8	186.3	188.2	189.4	193.1
Services . . . . .	438.8	453.1	466.2	468.2	470.4	472.0	479.4	481.1
Gross private domestic investment . . . . .	208.5	227.6	194.5	198.4	178.4	190.0	210.2	229.4
Fixed investment . . . . .	212.9	219.1	203.9	199.8	201.1	205.4	215.6	225.5
Nonresidential . . . . .	165.8	174.4	166.1	163.3	160.5	159.9	163.0	169.3
Residential . . . . .	47.1	44.7	37.8	36.5	40.6	45.5	52.6	56.2
Change in business inventories . . . . .	-4.4	8.5	-9.4	-1.3	-22.7	-15.4	-5.4	3.9
Net exports of goods and services . . . . .	50.3	43.0	28.9	24.0	23.0	20.5	12.3	10.4
Exports . . . . .	159.1	159.7	147.3	146.4	136.5	137.3	136.2	140.6
Imports . . . . .	108.8	116.7	118.4	122.4	113.5	116.8	123.9	130.2
Government purchases of goods and services . . . . .	284.3	286.5	291.8	292.2	299.7	292.9	292.1	295.8
Federal . . . . .	106.4	110.4	116.6	116.9	124.4	118.4	117.6	119.3
State and local . . . . .	177.9	176.1	175.2	175.3	175.2	174.5	174.5	176.5
<b>New plant and equipment expenditures (\$bil.)</b> . . . . .	295.63	321.49	316.43	313.76	303.18	293.03	293.46	313.04
<b>Implicit price deflator for GNP (1972=100)</b> . . . . .	178.42	195.14	206.88	208.03	210.00	212.83	214.55	216.29
<b>Disposable income (\$bil.)</b> . . . . .	1,828.9	2,047.6	2,176.5	2,191.5	2,227.8	2,255.9	2,301.0	2,363.1
<b>Disposable income (1972 \$bil.)</b> . . . . .	1,021.6	1,054.7	1,060.2	1,059.3	1,066.1	1,073.8	1,083.0	1,102.1
<b>Per capita disposable income (\$)</b> . . . . .	8,032	8,906	9,377	9,430	9,562	9,661	9,834	10,075
<b>Per capita disposable income (1972 \$)</b> . . . . .	4,487	4,587	4,567	4,558	4,576	4,599	4,629	4,699
<b>U.S. population, tot., incl. military abroad (mil.)</b> . . . . .	227.7	229.9	232.1	232.4	233.0	233.5	234.0	234.5
<b>Civilian population (mil.)</b> . . . . .	225.6	227.7	229.9	230.2	230.8	231.3	231.8	232.2

See footnotes at end of next table.

## Selected monthly indicators

	Annual			1982		1983				
	1980	1981	1982	Oct	May	June	July	Aug	Sept	Oct p <sup>u</sup>
Monthly data seasonally adjusted except as noted										
Industrial production, total <sup>1</sup> (1967=100) . . . . .	147.1	151.0	138.6	135.7	144.4	146.4	149.7	151.7	153.6	154.8
Manufacturing (1967=100) . . . . .	146.7	150.4	137.6	135.0	145.1	147.4	150.6	152.6	154.8	156.2
Durable (1967=100) . . . . .	136.7	140.5	124.7	120.3	131.0	133.2	136.8	138.7	141.6	143.5
Nondurable (1967=100) . . . . .	161.2	164.8	156.2	156.2	165.4	167.8	170.6	172.5	173.9	174.6
Leading economic indicators <sup>1, 2</sup> (1967=100) . . . . .	138.2	140.9	136.8	138.8	154.4	157.3	158.2	158.9	160.5	181.8
Employment <sup>4</sup> (mil. persons) . . . . .	99.3	100.4	99.5	99.2	99.6	100.8	101.3	101.6	101.9	101.9
Unemployment rate <sup>4</sup> (%) . . . . .	7.0	7.5	9.5	10.5	10.1	10.0	9.5	9.5	9.3	8.8
Personal income <sup>1</sup> (\$ bil. annual rate) . . . . .	2,165.3	2,435.0	2,578.6	2,617.8	2,719.3	2,732.6	2,747.1	2,756.6	2,786.1	2,818.9
Hourly earnings in manufacturing <sup>4, 5</sup> (\$) . . . . .	7.27	7.99	8.50	8.56	8.78	8.81	8.86	8.79	8.90	8.91
Money stock-M1 (daily avg.) (\$bil.) <sup>1</sup> . . . . .	\$414.1	\$440.6	\$478.2	468.7	507.4	511.7	515.5	516.7	517.1	517.9
Money stock-M2 (daily avg.) (\$bil.) <sup>1</sup> . . . . .	\$1,630.3	\$1,794.9	\$1,959.5	1,929.7	2,096.2	2,114.4	2,126.3	2,136.9	2,145.1	2,161.4
Three-month Treasury bill rate <sup>3</sup> (%) . . . . .	11.506	14.077	10.686	7.750	8.19	8.82	9.12	9.39	9.05	8.71
Aaa corporate bond yield (Moody's) <sup>1, 7</sup> (%) . . . . .	11.94	14.17	13.79	12.12	11.46	11.74	12.15	12.51	12.37	12.25
Interest rate on new home mortgages <sup>8, 9</sup> (%) . . . . .	12.66	14.70	15.14	14.41	12.67	12.36	12.50	12.38	12.54	12.25
Housing starts, private (incl. farm) (thou.) . . . . .	1,292	1,084	1,062	1,142	1,807	1,736	1,804	1,904	1,672	1,608
Auto sales at retail, total <sup>1</sup> (mil.) . . . . .	9.0	8.5	8.0	7.7	9.1	10.1	9.7	8.9	9.2	9.8
Business sales, total <sup>1</sup> (\$ bil.) . . . . .	327.3	356.1	344.2	336.9	363.9	373.6	372.4	374.4	380.0p	—
Business inventories, total <sup>1</sup> (\$ bil.) . . . . .	492.9	526.2	511.9	519.8	505.7	505.5	505.8	510.4	513.8p	—
Sales of all retail stores (\$ bil.) <sup>1</sup> . . . . .	80.2	87.3	89.6	90.9	98.4	99.2	99.5	97.8	99.1p	100.2
Durable goods stores (\$ bil.) . . . . .	24.4	26.3	26.7	27.2	32.1	32.7	32.3	30.9	32.0p	32.9
Nondurable goods stores (\$ bil.) . . . . .	55.8	61.0	62.9	63.8	66.3	66.5	67.0	66.9	67.1p	67.3
Food stores (\$ bil.) . . . . .	18.1	19.8	20.8	21.4	22.0	22.0	22.4	22.2	22.2p	22.3
Eating and drinking places (\$ bil.) . . . . .	7.2	7.8	8.6	9.3	9.9	9.9	10.1	10.0	10.2p	10.2
Apparel and accessory stores (\$ bil.) . . . . .	3.7	4.0	4.1	4.3	4.7	4.6	4.6	4.5	4.5p	4.6

<sup>1</sup> Department of Commerce. <sup>2</sup> Board of Governors of the Federal Reserve System. <sup>3</sup> Composite index of 12 leading indicators. <sup>4</sup> Department of Labor, Bureau of Labor Statistics. <sup>5</sup> Not seasonally adjusted. <sup>6</sup> December of the year listed. <sup>7</sup> Moody's Investors Service. <sup>8</sup> Federal Home Loan Bank Board. <sup>9</sup> Adjusted for seasonal variations, holidays, and trading day differences. p = preliminary.

## U.S. Agricultural Trade

### Prices of principal U.S. agricultural trade products

	Annual			1982		1983				
	1980	1981	1982	Oct	May	June	July	Aug	Sept	Oct
<b>Export commodities:</b>										
Wheat, f.o.b. vessel, Gulf ports (\$/bu.) . . . . .	4.78	4.80	4.38	4.05	4.43	4.11	4.04	4.15	4.26	4.19
Corn, f.o.b. vessel, Gulf ports (\$/bu.) . . . . .	3.28	3.40	2.80	2.38	3.42	3.45	3.59	3.97	3.84	3.79
Grain sorghum, f.o.b. vessel, Gulf ports (\$/bu.) . . . . .	3.38	3.28	2.81	2.45	3.47	3.41	3.25	3.51	3.59	3.41
Soybeans, f.o.b. vessel, Gulf ports (\$/bu.) . . . . .	7.39	7.40	6.36	5.48	6.49	6.33	6.83	8.29	9.06	8.72
Soybean oil, Decatur (cts./lb.) . . . . .	23.63	21.07	18.33	17.29	19.80	19.71	21.58	30.07	34.31	30.49
Soybean meal, Decatur (\$/ton) . . . . .	196.47	218.65	179.70	157.21	183.90	176.05	191.25	234.71	232.70	227.52
Cotton, 10 market avg. spot (cts./lb.) . . . . .	81.13	71.93	60.10	58.58	66.91	70.69	70.27	72.93	71.66	72.01
Tobacco, avg. price of auction (cts./lb.) . . . . .	142.29	156.48	172.20	176.53	175.49	174.92	174.92	168.48	180.55	174.92
Rice, f.o.b. mill, Houston (\$/cwt.) . . . . .	21.89	25.63	18.89	18.00	19.00	19.10	19.40	19.50	19.65	20.00
Inedible tallow, Chicago (cts./lb.) . . . . .	18.52	15.27	12.85	11.00	13.75	13.19	12.06	13.65	14.88	14.15
<b>Import commodities:</b>										
Coffee, N.Y. spot (\$/lb.) . . . . .	1.64	1.27	1.41	1.38	1.28	1.28	1.28	1.28	1.30	1.41
Sugar, N.Y. spot (cts./lb.) . . . . .	30.10	19.73	19.86	20.44	22.60	22.54	22.09	22.55	22.20	21.94
Rubber, N.Y. spot (cts./lb.) . . . . .	73.80	56.79	45.48	42.77	56.78	55.36	58.21	59.71	59.90	59.92
Cocoa beans, N.Y. (\$/lb.) . . . . .	1.14	.90	.75	.71	.90	1.00	1.00	1.00	.93	.91
Bananas, f.o.b. port of entry (\$/40-lb. box) . . . . .	6.89	7.28	6.80	5.43	10.06	9.16	9.13	8.42	7.70	7.47



# U.S. agricultural exports by regions

Region and country <sup>1</sup>	October-August		August		Change from year earlier	
	1981/82	1982/83	1982	1983	October-August	August
	\$ Mil.				percent	
<b>Western Europe</b> . . . . .	11,453	9,381	698	715	-18	2
European Community (EC-10) . . . . .	8,353	7,082	495	546	-15	10
Germany, Fed. Rep. . . . .	1,503	1,364	73	99	-9	36
Greece . . . . .	203	176	16	29	-13	81
Italy . . . . .	969	748	55	38	-23	-31
Netherlands . . . . .	3,121	2,617	132	150	-16	14
United Kingdom . . . . .	882	746	77	100	-15	30
Other Western Europe . . . . .	3,100	2,298	203	169	-26	17
Portugal . . . . .	542	591	45	72	9	60
Spain . . . . .	1,766	1,056	114	55	-40	-52
<b>Eastern Europe</b> . . . . .	894	778	43	50	-13	16
German Dem. Rep., . . . . .	228	116	( <sup>2</sup> )	( <sup>2</sup> )	-49	0
Poland . . . . .	169	217	19	11	28	-42
Romania . . . . .	146	104	9	0	-29	-100
<b>USSR</b> . . . . .	2,309	973	( <sup>2</sup> )	5	-58	100
<b>Asia</b> . . . . .	13,150	12,400	1,007	973	-6	-3
West Asia . . . . .	1,390	1,350	108	119	-3	10
Iran . . . . .	97	4	( <sup>2</sup> )	0	-96	-100
Iraq . . . . .	135	292	14	27	116	93
Israel . . . . .	323	272	40	22	-16	-45
Saudi Arabia . . . . .	428	407	38	41	-5	8
South Asia . . . . .	628	1,088	80	44	73	45
India . . . . .	280	747	11	14	167	27
East and Southeast Asia . . . . .	11,131	9,963	818	810	-10	-1
China Mainland . . . . .	1,732	546	98	( <sup>2</sup> )	-68	-100
China Taiwan . . . . .	1,089	1,097	79	83	1	5
Japan . . . . .	5,346	5,329	379	469	0	24
<b>Africa</b> . . . . .	2,275	2,027	185	227	-11	23
North Africa . . . . .	1,312	1,300	65	121	-1	86
Algeria . . . . .	211	187	1	22	-11	2,100
Egypt . . . . .	834	828	56	63	-1	13
Other Africa . . . . .	963	727	120	106	-25	-12
Nigeria . . . . .	495	300	41	45	-39	10
<b>Latin America and Caribbean</b> . . . . .	4,614	4,331	404	462	-6	14
Brazil . . . . .	536	368	70	31	-31	-56
Mexico . . . . .	1,465	1,609	60	208	10	247
Venezuela . . . . .	715	549	67	44	-23	-34
<b>Canada</b> . . . . .	1,732	1,704	140	163	-2	16
<b>Oceania</b> . . . . .	279	204	15	19	-27	27
<b>Total<sup>3</sup></b> . . . . .	36,706	31,798	2,492	2,614	-13	5

<sup>1</sup> Adjusted for transshipments through Canada. <sup>2</sup> Less than \$500,000. <sup>3</sup> Regions may not add to totals due to rounding.

# U.S. agricultural imports

	October-August				August			
	1981/82	1982/83	1981/82	1982/83	1982	1983	1982	1983
	Thou. units		\$ Thou.		Thou. units		\$ Thou.	
Live animals, excluding poultry . . . . .	—	—	360,755	515,941	—	—	31,594	42,678
Meat and preparations, excl. poultry (mt) . . .	790	861	1,787,708	1,921,121	106	82	231,415	175,715
Beef and veal (mt) . . . . .	574	606	1,213,188	1,269,736	82	59	168,489	127,897
Pork (mt) . . . . .	193	230	506,771	592,216	21	20	54,907	42,667
Dairy products, excluding eggs . . . . .	—	—	534,403	557,443	—	—	59,377	43,302
Poultry and poultry products . . . . .	—	—	62,356	85,164	—	—	6,231	9,398
Grains and preparations . . . . .	—	—	323,362	389,657	—	—	30,728	29,740
Wheat and flour (mt) . . . . .	9	114	2,345	13,711	2	1	400	226
Rice (mt) . . . . .	13	19	7,724	10,649	2	2	1,099	1,345
Feed grains (mt) . . . . .	243	323	41,258	38,631	15	68	2,328	7,066
Other . . . . .	—	—	272,035	326,666	—	—	26,901	21,103
Fruits, nuts, and preparations . . . . .	—	—	1,537,041	1,701,209	—	—	160,138	118,873
Bananas, Fresh (mt) . . . . .	2,289	2,245	494,428	516,737	227	191	46,644	46,721
Vegetables and preparations . . . . .	—	—	1,065,421	1,079,797	—	—	64,430	57,275
Sugar and preparations, incl. honey . . . . .	—	—	1,334,647	1,096,104	—	—	65,073	85,880
Sugar, cane or beet (mt) . . . . .	3,379	2,256	1,148,726	860,739	121	175	41,564	67,834
Coffee, tea, cocoa, spices, etc. (mt) . . . . .	1,432	1,562	3,456,560	3,635,650	149	107	354,289	277,743
Coffee, green (mt) . . . . .	925	934	2,373,228	2,416,372	96	74	249,741	192,270
Cocoa beans (mt) . . . . .	178	236	305,623	366,600	21	7	29,427	13,197
Feeds and fodders . . . . .	—	—	99,400	115,454	—	—	8,611	11,801
Protein meal (mt) . . . . .	55	80	9,093	12,984	6	9	977	1,453
Beverages, incl. distilled alcohol (hl) . . . . .	10,124	10,934	1,119,371	1,211,370	1,180	1,062	119,854	110,484
Tobacco, unmanufactured (mt) . . . . .	151	173	401,551	506,247	19	12	42,392	32,037
Hides, skins, and furskins . . . . .	—	—	197,930	178,847	—	—	7,122	7,679
Oilseeds . . . . .	—	—	73,765	71,783	—	—	5,425	5,708
Soybeans (mt) . . . . .	6	4	1,640	900	( <sup>1</sup> )	( <sup>1</sup> )	38	36
Wool, unmanufactured (mt) . . . . .	38	34	138,538	114,660	2	3	8,129	10,683
Cotton, unmanufactured (mt) . . . . .	12	8	10,692	6,840	1	1	758	1,305
Fats, oils, and greases (mt) . . . . .	11	13	7,757	7,600	1	2	486	889
Vegetable oils and waxes (mt) . . . . .	678	676	395,459	350,350	87	59	46,162	35,708
Rubber and allied gums (mt) . . . . .	610	609	543,419	534,271	55	32	45,762	33,667
Other . . . . .	—	—	720,075	969,811	—	—	69,080	301,356
Total . . . . .	—	—	14,170,210	15,049,319	—	—	1,357,056	1,391,921

<sup>1</sup> Less than 500,000. Note: 1 metric ton (mt) = 2,204.622 lb; 1 hectoliter (hl) = 100 liters = 26.42008 gal.



# U.S. agricultural exports

	October-August				August			
	1981/82	1982/83	1981/82	1982/83	1982	1983	1982	1983 <sup>1</sup>
	Thou. units		\$ Thou.		Thou. units		\$ Thou.	
Animals, live, excluding poultry. . . . .	—	—	226,438	243,018	—	—	52,386	73,927
Meat and preps., excluding poultry (mt). . . . .	407	374	910,942	846,837	32	29	69,563	65,678
Dairy products, excluding eggs . . . . .	—	—	346,731	315,328	—	—	25,449	28,126
Poultry and poultry products . . . . .	—	—	540,693	412,993	—	—	32,749	29,646
Grains and preparations . . . . .	—	—	15,065,522	12,526,348	—	—	1,110,844	1,046,482
Wheat and wheat flour (mt). . . . .	41,878	35,252	7,050,501	5,624,682	3,612	2,965	535,456	412,295
Rice, milled (mt). . . . .	1,968	1,655	861,789	672,579	272	230	99,074	86,507
Feed grains, excluding products (mt). . . . .	54,553	48,915	6,603,835	5,834,927	3,624	3,639	409,709	509,766
Other. . . . .	—	—	549,397	394,160	—	—	66,605	37,914
Fruits, nuts, and preparations . . . . .	—	—	1,652,639	1,583,327	—	—	136,732	133,733
Vegetables and preparations . . . . .	—	—	1,375,190	918,412	—	—	59,468	63,017
Sugar & preps., including honey. . . . .	—	—	166,111	87,184	—	—	6,176	17,060
Coffee, tea, cocoa, spices, etc. (mt). . . . .	44	42	194,416	176,304	2	3	12,462	15,484
Feeds and fodders. . . . .	—	—	2,415,711	2,469,627	—	—	141,430	161,294
Protein meal (mt). . . . .	6,332	6,307	1,448,795	1,383,698	320	308	72,609	74,593
Beverages, excl. juices (lit.). . . . .	58,214	63,235	30,983	35,908	4,832	7,060	2,445	3,745
Tobacco, unmanufactured (mt). . . . .	243	232	1,415,504	1,399,841	15	18	86,812	107,190
Hides, skins, and furskins . . . . .	—	—	962,103	922,450	—	—	58,546	62,596
Oilseeds . . . . .	—	—	6,672,604	5,870,208	—	—	448,948	540,785
Soybeans (mt). . . . .	23,899	23,056	6,109,168	5,428,908	1,564	1,639	381,229	444,962
Wool and mohair (mt). . . . .	4	4	30,047	32,724	( <sup>1</sup> )	( <sup>1</sup> )	886	3,866
Cotton, excl. linters (mt). . . . .	1,407	1,062	2,028,917	1,568,180	24	22	91,991	119,042
Fats, oils, and greases (mt). . . . .	1,383	1,320	644,390	538,166	96	124	44,195	51,822
Vegetable oils and waxes (mt). . . . .	1,496	1,454	893,467	800,081	150	103	85,483	61,801
Rubber - crude natural (mt). . . . .	10	10	19,292	17,892	2	1	2,546	1,723
Other. . . . .	—	—	1,114,705	1,033,458	—	—	25,452	26,487
Total . . . . .	—	—	36,706,395	31,798,086	—	—	2,492,363	2,613,504

<sup>1</sup> Less than 500,000.

## Trade balance

	October-August		August	
	1981/82	1982/83	1982	1983
	\$ Mil.			
Exports:				
Agricultural . . . . .	36,706	31,798	2,492	2,614
Nonagricultural . . . . .	162,719	145,864	13,452	12,638
Total <sup>1</sup> . . . . .	199,425	177,662	15,944	15,252
Imports:				
Agricultural . . . . .	14,170	15,049	1,388	1,392
Nonagricultural . . . . .	214,677	209,005	21,408	21,685
Total <sup>2</sup> . . . . .	228,847	224,054	22,796	23,077
Trade balance:				
Agricultural . . . . .	22,536	16,749	1,104	1,222
Nonagricultural . . . . .	-51,958	-63,141	-7,956	-9,047
Total . . . . .	-29,422	-46,392	-6,852	-7,825

<sup>1</sup> Domestic exports including Department of Defense shipments (F.A.S. value). <sup>2</sup> Imports for consumption (customs value).

# World Agricultural Production

## World supply and utilization of major crops

	1977/78	1978/79	1979/80	1980/81	1981/82	1982/83 F	1983/84 F
	Mill. units						
<b>Wheat:</b>							
Area (hectare) . . . . .	227.1	228.9	227.6	236.6	239.3	239.3	226.8
Production (metric ton) . . . . .	384.1	446.8	422.8	442.0	449.2	479.7	481.4
Exports (metric ton) <sup>1</sup> . . . . .	72.8	72.0	86.0	94.1	101.2	98.1	100.7
Consumption (metric ton) <sup>2</sup> . . . . .	399.3	430.2	443.5	444.3	442.0	468.0	477.3
Ending stocks (metric ton) <sup>3</sup> . . . . .	84.3	100.9	80.4	79.0	86.4	98.1	102.1
<b>Coarse grains:</b>							
Area (hectare) . . . . .	345.1	342.8	341.1	342.3	348.7	339.6	333.5
Production (metric ton) . . . . .	700.6	753.6	741.5	730.8	765.4	780.2	681.5
Exports (metric ton) <sup>1</sup> . . . . .	84.0	90.2	98.8	107.9	98.1	90.8	89.4
Consumption (metric ton) <sup>2</sup> . . . . .	692.0	748.1	740.3	741.2	733.0	756.8	759.9
Ending stocks (metric ton) <sup>3</sup> . . . . .	85.9	91.2	91.6	82.2	114.6	138.1	60.0
<b>Rice, milled:</b>							
Area (hectare) . . . . .	143.2	144.1	143.1	144.5	145.1	141.4	144.5
Production (metric ton) . . . . .	249.0	260.7	253.9	267.2	279.8	284.5	290.3
Exports (metric ton) <sup>1</sup> . . . . .	9.5	11.6	12.7	12.9	11.9	12.3	12.0
Consumption (metric ton) <sup>2</sup> . . . . .	244.0	255.8	257.8	268.3	281.0	289.2	291.5
Ending stocks (metric ton) <sup>3</sup> . . . . .	22.8	27.7	23.4	22.2	21.1	18.4	15.1
<b>Total grains:</b>							
Area (hectare) . . . . .	715.8	715.8	711.8	723.4	733.1	720.3	704.8
Production (metric ton) . . . . .	1,333.8	1,461.1	1,418.2	1,440.0	1,494.4	1,544.4	1,453.2
Exports (metric ton) <sup>1</sup> . . . . .	166.2	173.8	197.5	214.9	211.2	201.2	202.1
Consumption (metric ton) <sup>2</sup> . . . . .	1,335.3	1,434.1	1,441.9	1,453.8	1,456.0	1,514.0	1,528.7
Ending stocks (metric ton) <sup>3</sup> . . . . .	193.1	219.8	195.4	183.4	222.1	252.6	177.2
<b>Oilseeds and meals:<sup>4,5</sup></b>							
Production (metric ton) . . . . .	78.4	82.1	89.9	87.5	92.3	98.1	86.4
Trade (metric ton) . . . . .	38.8	40.6	46.2	44.1	46.5	47.3	47.9
<b>Fats and Oils:<sup>6</sup></b>							
Production (metric ton) . . . . .	46.3	48.5	50.7	52.2	55.1	58.1	55.7
Trade (metric ton) . . . . .	18.3	19.3	20.8	20.0	21.0	21.2	21.0
<b>Cotton:</b>							
Area (hectare) . . . . .	32.8	32.4	32.2	32.4	33.2	32.3	31.7
Production (bale) . . . . .	64.1	60.0	65.5	65.3	70.7	67.7	65.3
Exports (bale) . . . . .	19.1	19.8	22.7	19.7	20.2	18.4	18.4
Consumption (bale) . . . . .	60.0	62.4	65.3	65.8	65.6	67.6	69.3
Ending stocks (bale) . . . . .	25.0	22.1	23.0	23.6	28.7	28.9	24.8

F = Forecast. <sup>1</sup> Excludes intra-EC trade. <sup>2</sup> Where stocks data not available (excluding USSR), consumption includes stock changes. <sup>3</sup> Stocks data are based on differing marketing years and do not represent levels at a given date. Data not available for all countries. Includes estimated change in USSR grain stocks but not absolute level. <sup>4</sup> Soybean meal equivalent. <sup>5</sup> Calendar year data. 1977 data correspond with 1976/77, etc. Excludes safflower, sesame, and castor oil.



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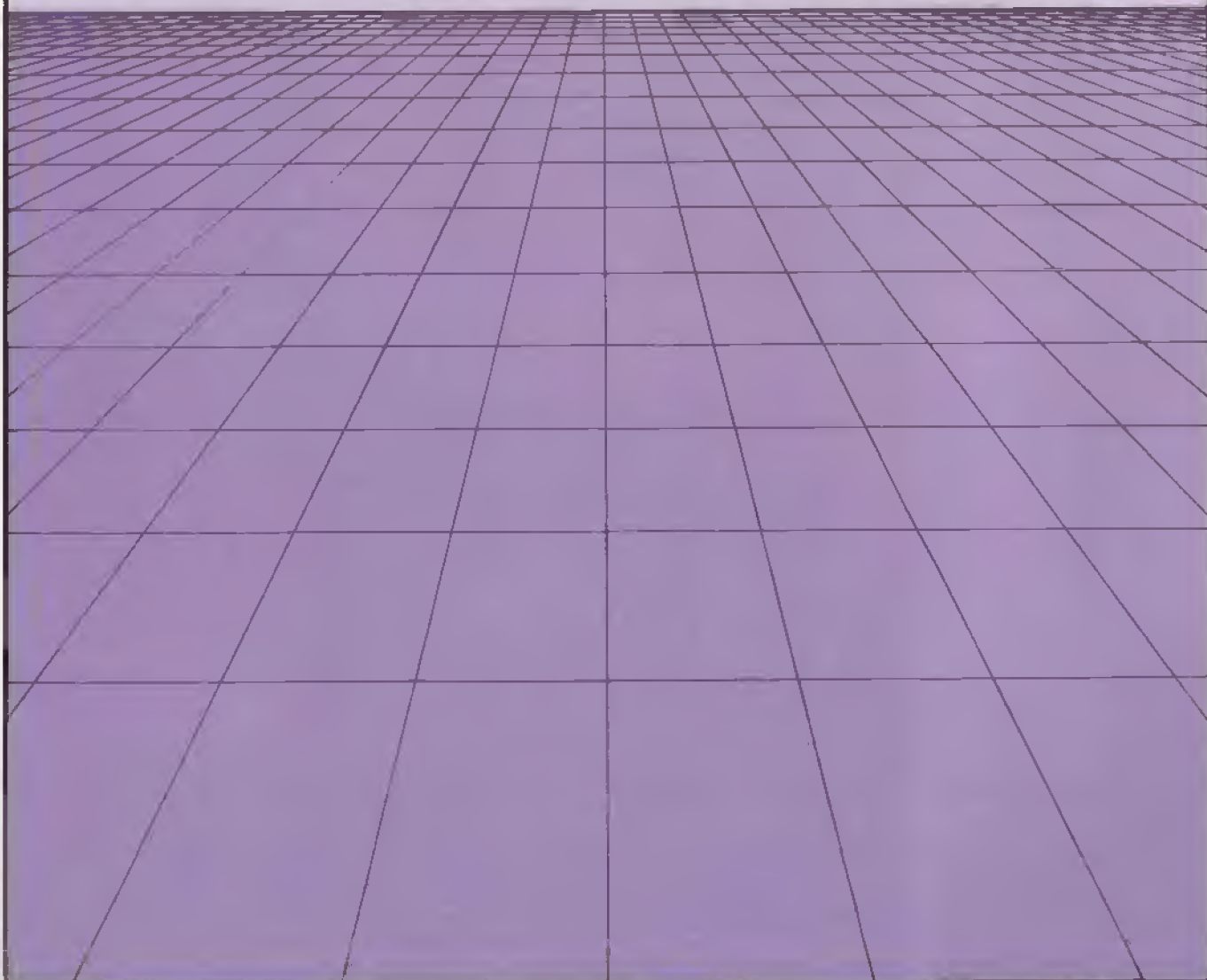
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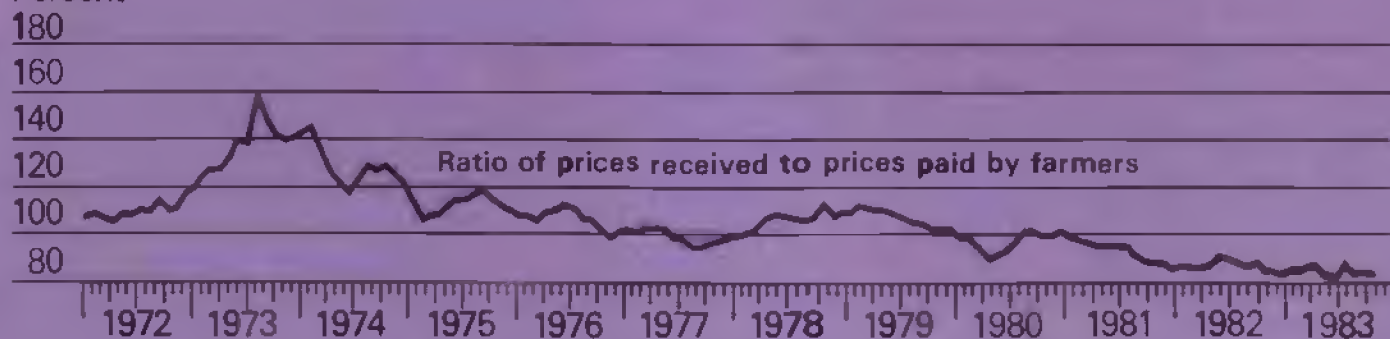
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Percent



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